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DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

FIRST SESSION

ON

S. 815

TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 1982, FOR PROCUREMENT OF AIRCRAFT, MISSILES, NAVAL VESSELS, TRACKED COMBAT VEHICLES, TORPEDOES, AND OTHER WEAPONS, FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AND FOR OPERATION AND MAINTENANCE FOR THE ARMED FORCES, TO PRESCRIBE THE AUTHORIZED PERSONNEL STRENGTH FOR EACH ACTIVE DUTY COMPONENT AND THE SELECTED RESERVE OF EACH RESERVE COMPONENT OF THE ARMED FORCES AND FOR CIVILIAN PERSONNEL OF THE DEPARTMENT OF DEFENSE, TO AUTHORIZE THE MILITARY TRAINING STUDENT LOADS, AND FOR OTHER PURPOSES

PART 6

MANPOWER AND PERSONNEL

FEBRUARY 24, 26; MARCH 3, 5, 10, 17, 1981

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DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

TUESDAY, FEBRUARY 24, 1981

U.S. SENATE,
SUBCOMMITTEE ON MANPOWER AND PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

ALL VOLUNTEER FORCE MANPOWER REQUIREMENTS AND TRENDS

The Subcommittee on Manpower and Personnel met in open session, at 2:30 p.m. in room 224, Russell Senate Office Building, Senator Roger W. Jepsen, chairman, presiding.

Present: Senators Jepsen, Quayle, Denton, Byrd, and Exon.

Staff present: Michael B. Donley, Ronald F. Lehman, Anthony J. Principi; Carl M. Smith; George F. Travers, professional staff members; Richard D. Finn, Jr., and Ralph White, research assistants; Brenda K. Hudson, and Jacquie S. O'Grady, clerical assistants.

Also present: Jim Dykstra, assistant to Senator Cohen; Hermann Pirchner, assistant to Senator Jepsen; Bill Furniss, assistant to Senator Quayle; Jon A. Schreiber, assistant to Senator Denton; Gray Armistead, assistant to Senator Byrd; Greg Pallas, assistant to Senator Exon; Gail Stephens, assistant to Senator Levin; Paul Schreiber, assistant to Senator Denton.

OPENING STATEMENT BY SENATOR ROGER W. JEPSEN, CHAIRMAN

Senator JEPSEN. The Subcommittee on Manpower and Personnel will come to order.

I would like to welcome Hon. Robert A. Stone, Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics and Hon. John Brinkerhoff, Acting Deputy Assistant Secretary of Defense for Reserve Affairs, to receive testimony today on the fiscal year 1982 Department of Defense authorization request related to the All-Volunteer Force manpower requirements.

The Subcommittee on Manpower and Personnel convenes today to commence consideration of the Department of Defense fiscal year 1981 supplemental and the fiscal year 1982 authorization request for Active Duty, Reserve, and Civilian Manpower. We shall receive testimony from Mr. Robert Stone, Acting Assistant Secretary of Defense for

Manpower, Reserve Affairs, and Logistics and Mr. John R. Brinkerhoff, Acting Deputy Assistant Secretary of Defense for Reserve Affairs, on All Volunteer Force Manpower Requirements.

MAINTAINING A STRONG MILITARY POSTURE

The pressures of the volatile international situation dictate that the United States maintain a strong military posture in both conventional and strategic forces. This is a new beginning around this community, around this country and around the world and there are those of us who believe we must maintain a high level of defense to prevent war and bloodshed. We do that through peace and strength.

History attests to the dangers of allowing our readiness to slip to the point where we could be caught unaware. During the past decade, the aggression of the Soviet Union and its surrogates has forced Americans to confront the consequences of allowing their country's military strength to deteriorate. Our enemies have not only caught up, with us in many important military areas, but they have actually passed and left us behind in some measures of strength. Several years ago, the era of "unquestioned U.S. predominance" gave way to American's "narrow margin of safety." Today this "narrow margin" has diminished even further to the point that it is simply too close to call.

SOVIET AGGRESSION

As we know we have had a lot of new buzz words and phrases that have developed over the past couple of years and especially with the events of the SALT hearings, equivalence, roughly equivalence and as Senator Nunn said, the leaning parity and we find there is a growing concern both within the United States and among its allies that this alarming trend is driven in large part by our military manpower problems.

All too often, we hear and read of the increasing number of category IV accessions, the hemorrhage of skilled NCO's, the erosion of good order and discipline, and the lowering of our high standards of conduct and training. For example, a recent article in a German newspaper alluded to the deteriorating condition of U.S. forces and to the smaller NATO allies' complaints about the caliber of American forces in Europe.

These statements are generating a perception throughout our military and civilian society that our forces are not capable of meeting the challenges of the 1980's. I submit that this perception is having an adverse impact on our ability to build and maintain a superior military force. It is impeding our efforts to attract qualified young men and women and creating an atmosphere of doubt among our soldiers, sailers, and airmen in their ability to win. We cannot afford to allow this perception to persist.

MEETING THE CHALLENGE

It is therefore incumbent upon this Congress to continue the good work begun by the last Congress. I am particularly interested in doing all that I can to insure that the issue of quality receives a great deal of attention. In this regard, there are four questions that must be answered: What is the quality of current recruits and members of the Armed Forces? Do personnel standards need to be changed if the services are to perform their missions? What is the quality of the manpower available to the military for recruitments? How do we maximize these manpower opportunities?

I recently returned from a trip to Europe where I met with many Army and Air Force personnel stationed in Germany. I talked with young soldiers, dependents, NCO's, Federal civilian workers, and junior and senior officers. I witnessed field training and participated in a border night patrol with members of the 11th Armored Cavalry Regiment. My staff and I visited unit facilities, housing complexes, commissaries, and post exchanges. I came away not only with a deep sense of gratitude for the sacrifices that our people are making but also with a better appreciation of the problems that exist, some of which are unique to overseas duty, especially in West Germany. Someone said you put 61 million people into a state the size of Oregon and then put in 500,000 military personnel with all their equipment and say "Now you all get along and work together;" that is about what you have in the situation in West Germany and it is unique.

There is no question that much needs to be done and that the changes will not be easy.

U.S. DEFENSE MANPOWER

Defense manpower in the United States has four components: An active military of approximately 2 million personnel, a Reserve component, Defense Department civilians, and a selective service system whose objective is to provide inductees during mobilization. Each of these categories of manpower is essential to the total U.S. military capability and to its eventual success in wartime. Therefore, I believe that it is important to address personnel issues and initiatives in terms of a total force concept.

As you will note, we have from this point on established our subcommittee hearings that will include that concept so that we will talk about total force concept, we will talk about a career in the military service, and we will try to always keep in front of us the big picture while we work on its separate parts.

Gentlemen, we welcome you before our subcommittee and request your candid appraisal of the manpower and personnel problems that beset our military and Nation. Hopefully together we can reach a consensus on the remedies and take whatever steps are necessary to implement them.

At this time I recognize Hon. Robert A. Stone for remarks he wishes to make.

STATEMENT OF HON. ROBERT A. STONE, ACTING ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS; ACCOMPANIED BY JOHN R. BRINKERHOFF, ACTING DEPUTY ASSISTANT SECRETARY OF DEFENSE (RESERVE AFFAIRS); DOUG FARBROTHER, ACTING DEPUTY ASSISTANT SECRETARY FOR PROGRAM MANAGEMENT; AL MARTIN, DIRECTOR OF ACCESSION POLICY; AND MAJ. GEN. R. DEAN TICE, DEPUTY ASSISTANT SECRETARY FOR MILITARY PERSONNEL POLICY

Mr. STONE. Thank you, Mr. Chairman.

I am accompanied by John Brinkerhoff, the Acting Deputy Assistant Secretary of Defense for Reserve Affairs with me at the table. I have with me to help answer your questions Maj. Gen. R. Dean Tice, Deputy Assistant Secretary for Military Personnel Policy; Doug Farbrother, Acting Deputy Assistant Secretary of Defense for Program Management; and Dr. Al Martin, Director of Accession Policy in the Office of the Secretary of Defense.

With your permission, Mr. Chairman, I would like to have my formal statement entered in the record and I would like to summarize it with the aid of a few charts which you have in front of you.

Senator JEPSEN. Without objection these will be entered into the record as requested.

[The prepared statement of Mr. Stone follows:]

PREPARED STATEMENT OF ROBERT A. STONE, ACTING ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS

I. INTRODUCTION

Mr. Chairman, members of the committee, it is a pleasure to appear before you today to present an overview of the Defense Manpower Program for Fiscal Year 1982. My statement will address our capability to maintain adequate levels of active duty manpower during peacetime as well as our capability to augment those active forces during a time of emergency.

Overall defense manpower requirements are governed by our judgments of the complex interrelationship between peacetime requirements and wartime demand. Our annual Defense Manpower Requirements Report summarizes the procedures used by the Services and Defense agencies to determine their manpower requirements and describes the relationship between those requirements and the security of the nation. This statement will focus on our programs for the effective management of the manpower resources so determined.

The men and women of our Military Departments and Defense agencies—military and civilian—are our most essential national security asset. Maintaining their effectiveness is our primary Defense manpower objective. While at the present time there exist many problems in our Defense manpower posture, we are a strong and capable force. The programs outlined below are designed to both enhance this capability and enable us to manage it more efficiently.

I will discuss peacetime manpower trends, military recruiting, retention, compensation, management of the civilian workforce; reserve manning and mobilization; and the support requested from Congress for the Defense manpower program.

II. PEACETIME MANPOWER

Defense Manpower Trends.—Defense manpower strengths have decreased since the highs of the Vietnam era (1968), and are now well below their strengths *prior* to Vietnam (1964), as indicated in the following table.

TABLE 1.—DEFENSE MANPOWER TREND

[End of fiscal year strengths in thousands, fiscal years]

	Actual					Planned
	1964	1968	1973	1976	1980	1982[1]
Active military	2,687	3,547	2,252	2,081	2,050	2,094
Selected reserve	953	922	919	823	851	923
Individual Ready Reserve/inactive National Guard	845	1,068	1,229	485	413	457
Civilians	1,176	1,394	1,100	1,046	990	1,025

[1] Numbers subject to change as a result of current budget review. After Vietnam, active military strength continued to decline until 1980 and is projected to increase slightly by fiscal year 1982. The Selected Reserve bottomed out in 1978 at 785,000 and is now increasing with an eventual goal of 974,000 in the mid-1980's. The individual Ready Reserve, being primarily an artifact of the flow-through of the active forces, came down dramatically from the Vietnam era, bottomed out at 342,000 in 1978, and is now on the way back up. Civilian strength is projected to increase in fiscal year 1982.

Active Military by Service.—The following table shows active military end strength by Service.

TABLE 2.—ACTIVE MILITARY BY SERVICE

[In thousands, fiscal years]

	1976	1980	1981	1982
Army	779	777	775	786
Navy	525	527	537	550
Marine Corps	192	188	188	188
Air Force	585	558	565	570
Total	2,081	2,050	2,065	2,094

Military Manpower by Location.—The worldwide dispersion of our military people poses some challenging problems. As shown below, almost a fourth of DOD military manpower, and a third of the Army, are overseas.

TABLE 3.—MILITARY MANPOWER BY LOCATION

[Planned fiscal year 1981 strength in thousands]

	United States and territories	Foreign countries (Europe)	Total
All services	1,575	481 (341)	2,059
Army	520	253 (214)	774

This dispersion creates constant personnel turmoil. We do not want to keep personnel overseas too long, yet we need to manage the distribution of personnel in various skill areas properly. The Army, in particular faces acute problems in force management. The problem is compounded by the Congressional limitation of 325,000 dependents overseas. We are now bumping against that limit and face the possibility of having to delay concurrent travel for dependents in order to remain under the ceiling. This is discussed further in a later section of my statement.

Recruiting.—In quantitative terms, fiscal year 1980 was a good recruiting year. All four Services met or exceeded their fiscal year 1980 recruiting objectives and achieved 389,900 enlistments. Each of the Services enlisted more recruits than in fiscal year 1979. Accessions increased by 51,600 or 15 percent DOD-wide. The Army experienced the largest increase of the four Services, recruiting 31,100 or 22 percent more enlistees in fiscal year 1980.

TABLE 4.—ENLISTED ACCESSIONS—ALL SOURCES[1]

Services	Fiscal year 1980			Fiscal year 1979		
	Objective	Actual	Percent of objective	Objective	Actual	Percent of objective
Army	172, 800	173, 200	100	159, 200	142, 200	89
Navy	97, 600	97, 700	100	91, 600	86, 400	94
Marine Corps	43, 700	44, 300	101	42, 900	41, 800	98
Air Force	74, 700	74, 700	100	69, 200	67, 800	98
DOD total	388, 800	389, 900	100	362, 900	338, 200	93

[1] Numbers may not add due to rounding.

In addition, each of the Services recruited more high school diploma graduates in fiscal year 1980 than were recruited in fiscal year 1979. The fiscal year 1980 total was about 6 percent above the number of graduates recruited in fiscal year 1979.

The improved recruiting in fiscal year 1980 is due to a number of factors including the extraordinarily hard work of Service recruiters, the increased difficulty young people faced in finding civilian jobs, improved recruiting management, and increased recruiting resources. Other factors may also have contributed. The Army's acceptance of fairly large numbers of non-high school graduates in order to achieve its strength objective and thus overcome its fiscal year 1979 recruiting shortages also contributed to the numerical recruiting achievement in fiscal year 1980.

Through the first quarter of fiscal year 1981, recruiting results are encouraging, with the Services achieving 101 percent of their combined objectives. All Services achieved their overall recruiting goals. Army recruited 72 percent high school graduates in comparison to 40 percent during the same quarter of fiscal year 1980.

TABLE 5.—1ST QUARTER ENLISTED ACCESSIONS—ALL SOURCES[1]

Services	October-December, fiscal year 1981			October-December, fiscal year 1980		
	Objective	Actual	Percent of objective	Objective	Actual	Percent of objective
Army	29, 200	28, 900	99	40, 500	38, 400	95
Navy	22, 300	22, 900	103	21, 900	21, 500	99
Marine Corps	8, 600	9, 200	107	9, 100	7, 900	88
Air Force	18, 900	19, 000	101	16, 800	16, 800	100
DOD total	79, 000	80, 100	101	88, 200	84, 700	96

[1] Numbers may not add due to rounding.

The DOD accession requirement for fiscal year 1982 totals 373,000, or about 17,000 less than the Services recruited in fiscal year 1980 and about 2,000 less than they have programed for fiscal year 1981.

TABLE 6.—DOD ENLISTED ACCESSIONS[1]

[In thousands]

	Total	Nonprior service	Prior service
1980 (actual)[2]	390	360	30
1981	374	340	35
1982	373	338	35

[1] Numbers may not add due to rounding.

[2] Includes an add-on of about 24,000 to make up for the fiscal year 1979 recruiting shortfalls.

The most significant and predictable reality facing military manpower procurement programs in the decade of the 1980s is the declining youth population. We are attempting to offset this decline by reducing demand for new male accessions by reducing attrition, increasing use of women, and increasing career content. The decline in the male enlistment population and our male accession demand are shown in Figure 1.

MALE NPS ACCESSIONS VS 18 YEAR OLD POPULATION

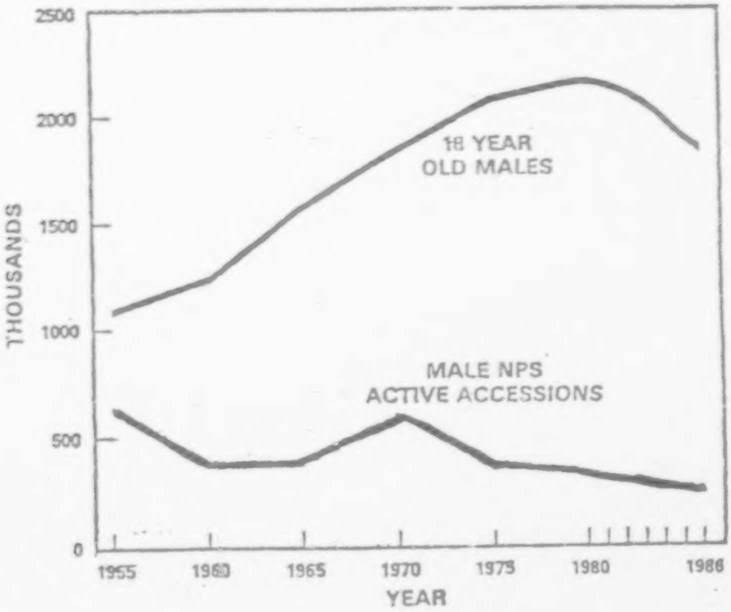


FIGURE 1

Figure 2 shows that the ratio of planned new male accessions to the male 18-year-old population for the first half of the decade will remain roughly constant over this period.

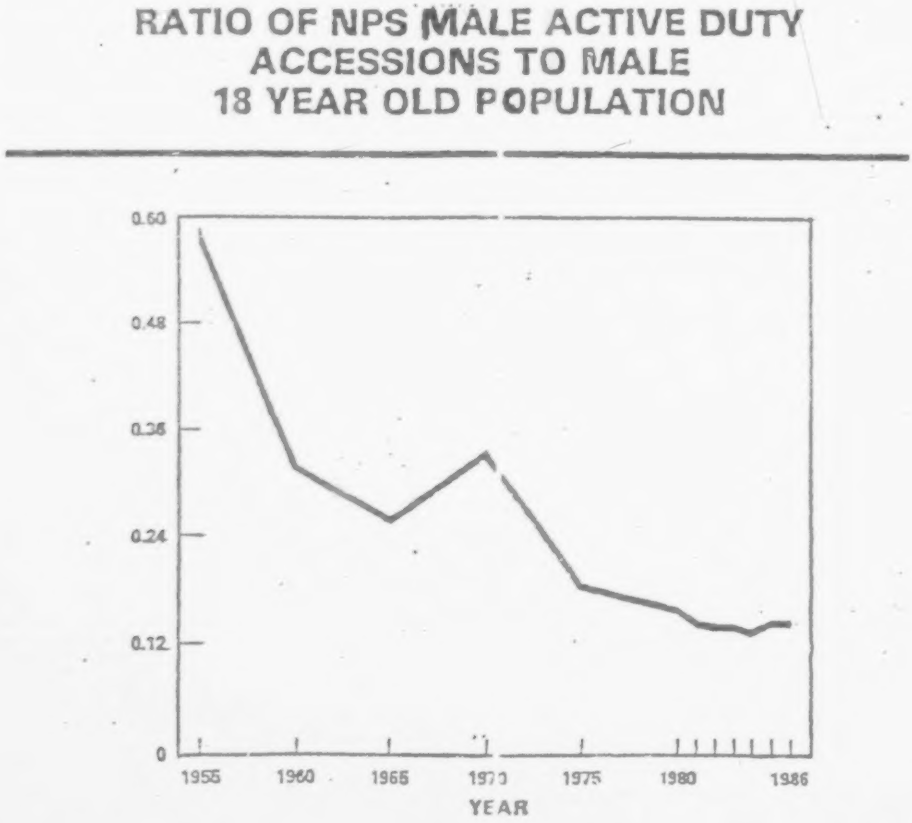

RATIO OF NPS MALE ACTIVE DUTY ACCESSIONS TO MALE 18 YEAR OLD POPULATION

FIGURE 2

If the only problem facing recruiting then were the declining youth population, the management actions taken to reduce male accession demand would appear to be working. However, over the last six years the number of male high school diploma graduates entering the Armed Forces has declined significantly. Importantly, the proportion of the high school diploma graduate market which has volunteered for enlisted service in the active military has declined since 1974–1975 (even considering something of an improvement in 1980). It is clear that Service competitiveness in the high school diploma graduate market has lessened and recruiters must work harder to enlist high school graduates. The key to achievement of Service desired proportions of high school diploma graduates in fiscal year 1982 and beyond will be improved service competitiveness based on enhanced attractiveness of service life and increased recruiting resources. This is particularly important for the Army.

Table 7 indicates the enlisted recruiting resources programed for fiscal years 1980 through 1982. The recruiting resources requested in the fiscal year 1982 President's budget have been programmed to improve the quality of our accessions. This is particularly true of the Army where we are requesting authority and funds for an enhanced and more flexible enlistment bonus program targeted at high scoring three- and four-year enlistees. Additional Army recruiters and advertising are also being requested to encourage high scoring diploma graduates to consider Army enlistment.

TABLE 7.—ACTIVE FORCE ENLISTED RECRUITING RESOURCES

[In millions of dollars, fiscal years]

Service	1980	1981	1982
Army	$315	$381	$477
Navy	140	162	174
Marine Corps	93	106	114
Air Force	75	102	109
Joint Service [1]	[2] 40	60	66
DOD	663	812	940

[1] Includes recruiting office leases, funding for joint advertising and market research, and funding for the educational assistance test program advertising.

[2] Excludes $10,000,000 joint advertising program funded in Service budgets.

Maintaining competitiveness in the youth market will demand that the military/civilian pay relationship not be permitted to erode as it did over the 1970s. The enlistment bonus program, especially in the Army, must be made more flexible by increasing maximum payment levels, broadening the range of skills eligible for bonuses, and enabling bonuses to be paid to three year high scoring enlistees. In addition, educational incentives should be tailored in ways that will attract the kinds of recruits that the Services have the most difficulty recruiting. It will continue to be important to improve the quality of life of our servicemembers and to publicly acknowledge their contribution to the nation so that military service is seen to be a rewarding, satifying, and valued experience for our youth.

Accession Quality Indicators.—The attributes mainly used to characterize our new recruits in terms that indicate their potential for successful military service are level of education and aptitude.

Possession of a high school diploma, in particular, is a good indicator of potential to adjust to the discipline of a military environment. On the average, a graduate has about an 80% chance of successfully completing a three-year term of service whereas a nongraduate has about a 60% chance. Thus, given the choice in the recruiting market, we prefer to recruit diploma graduates. Alternatively, given a very tough recruiting market, it would be a mistake to arbitrarily turn away non-graduates since so many of them do successfully adapt to service life.

As noted earlier, mainly to make up their fiscal year 1979 recruiting and strength shortfalls, Army was able to achieve its fiscal year 1980 recruiting and strength goals by accepting a large proportion of nongraduates, as shown in Figure 3. Clearly, the mix of high school graduates and nongraduates among recruits is a function of the accession requirement and labor market conditions. Recruiting graduates is a demanding market problem and will remain a key indicator of recruiting performance.

ENLISTED ACCESSIONS
NON-PRIOR SERVICE MEN

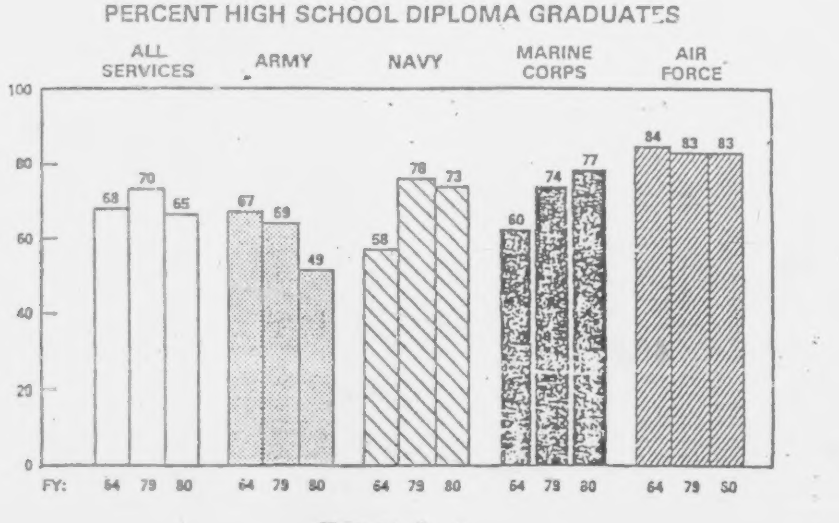


FIGURE 3

The potential of military applicants to learn the general and specialized skills required by military occupations is measured by the DOD enlistment qualification test, known as the Armed Services Vocational Aptitude Battery (ASVAB). Pencil and paper tests have been used by the Department of Defense since the end of World War II to reject draft registrants and applicants for enlistment with a low probability of success. The tests are also used to determine recruit eligibility for specific job training. While aptitude tests are not perfect predictors, they do enhance the probability that the Services will select the best suited people from the pool of applicants and will assign them to jobs in which they are likely to succeed.

To provide historical comparability across time and across Services, the ASVAB general trainability measure has been calibrated to be compatible with its predecessor, the Armed Forces Qualification Test (AFQT). (AFQT scores are now derived from ASVAB.) Currently, in addition to meeting the AFQT eligibility criterion, every recruit must attain a minimum score in a specific aptitude area in order to qualify for the training in that field. For reporting convenience, AFQT scores of applicants and recruits are grouped into five broad categories. Those in Categories I and II are above average in trainability; those in Category III are average; those in Category IV are below average but with sufficient potential to warrant consideration for enlistment. Those in Category V are markedly below average, are not considered to have sufficient potential to warrant enlistment, and under Service policy, are not eligible to enlist. We prefer enlistees in the higher test score categories because training time and associated costs are lower and because they are more likely to qualify for more skill areas.

Last year we informed Congress that the versions of ASVAB in use from January 1976 through September 1980 were miscalibrated to previous forms of our enlistment tests. This error resulted in inflated test scores for low-scoring enlistees who entered service during that period. New test conversion tables which corrected the calibration problem were developed in July 1980. When those calibration tables were applied to the reported test results of recent accessions, they had a substantial impact on the score distributions of those accessions. The significant changes were the large decrease of the percentages in Category III, and the large increase in Category IV. For example, for fiscal year 1980 the reported percentage of accessions DOD-wide in Category IV changed from 6 to 33 percent.

Although use of the inaccurate calibration table understated the percentage of accessions in Category IV, the new estimate that 33 percent of the fiscal year 1980 accessions were in Category IV is more commensurate with both the historical data base of DOD accessions and the scores one would expect in the population as a whole, than is the estimate of 6 percent that was derived from the faulty calibration. The following table shows for selected years the percentages of entering Category IV personnel between 1952 and 1980 by Service.

TABLE 8.—PERCENT OF NONPRIOR SERVICE ENLISTED ACCESSIONS WHOSE TEST SCORES PLACED THEM IN AFQT CATEGORY IV

[Selected fiscal years 1952–80]

	1952	1956	1960	1964	1968	1972	1974	1977[1]	1979[1]	1980[1]
DOD	39	27	14	15	25	16	10	30	30	33
Army	44	27	17	20	28	18	18	44	46	52
Navy	33	32	7	11	17	18	3	21	18	17
Marine Corps	43	35	16	9	22	20	8	27	26	27
Air Force	33	18	12	4	17	8	1	6	9	10

[1] There percentages were recomputed to correct for the error in ASVAB calibration.

The three new forms of the ASVAB implemented on October 1, 1980 are an improvement over the previous versions in several important ways. The new ASVAB (1) more accurately estimates ability, particularly at the lower end of the test score range, (2) is a better measure of literacy, (3) is correctly calibrated and no longer inflates the scores of lower scoring applicants, and (4) will impede test compromise because of its multiple forms.

Reaction on the part of Congress to the finding that percentages of Category IV recruits were higher than originally believed and the low percentage of Army male graduates recruited in fiscal year 1980 took the form of legislated recruit quality constraints for the active force beginning in 1981. These constraints are shown in Table 9.

TABLE 9.—CONSTRAINTS ON ENLISTED ACCESSIONS: FISCAL YEAR 1981 DOD AUTHORIZATION ACT

	Nonprior service accessions	
	Maximum percent category IV	Minimum percent high school graduate
Fiscal year:		
1981	25 DOD average	65 Army males only.
1982	25 each service	No restriction.
1983+	20 each service	Do.

Although it is premature to fully evaluate the impact of the constraints, it now appears that they are not likely to pose a serious recruiting problem in fiscal year 1981. The constraints on each Service in fiscal year 1982 and beyond may, however, have serious impact particularly on Army recruiting capability. An already difficult Army fiscal year 1982 recruiting task resulting from the combined effects of an expected improvement in the economy, continuing decline in the youth population, and increased accession requirements is likely to be aggravated by the statutory constraints and could cause significant shortfalls in Army recruiting. For example, to meet the fiscal year 1982 constraint, Army must enlist about 102,000 Category III recruits. That would be a 34 percent increase over the 76,000 Category I–III recruits that Army was able to enlist in fiscal year 1980.

We request repeal of these statutory limits. We understand and agree with the intent of the constraints to improve the quality of military manpower. However, it is important to recognize that the Services have well-established programs for eliminating those recruits who are not capable of becoming useful service members. These constraints are likely to hamper Service flexibility to adjust to changes in manpower needs and changes in the labor market and could unnecessarily deny enlistment to many who are capable of satisfactory performance. We should not over-stress the importance of enlistment standards as a control on the quality of military manpower.

We are very much concerned that the Services increase the proportion of those who seem most likely to have successful and continuing military careers. We want more high school graduates, more high test scorers, more young men and women who will assimilate training quickly, perform productively immediately, and stay for full terms or longer. We want, in other words, to improve the profile of our accessions with respect to high school graduates who can score well on our entrance test.

To that end, the Services have raised their operational enlistment criteria in fiscal year 1981 to take maximum advantage of the current more favorable recruiting climate. The Services' operational criteria in use as of December 1, 1980, would have denied enlistment to 34 percent of the Army recruits, 26 percent of the Marine Corps recruits, 5 percent of the Navy recruits, and 6 percent of the Air Force recruits enlisted in fiscal year 1980. There is, however, no single correct aptitude standard for entry into military service. Entrance standards have varied over time, often as a function of personnel supply and demand.

Although we are stressing quality indicators as we judge recruiting success, it is important to understand that aptitude tests and high school graduation can be related only generally and not precisely to performance in service. While the screening systems currently used by the Services are as sophisticated and effective as any in the civilian world, we are constantly striving to improve both their use in manpower selection and utilization and to reduce costs.

Central to the problem of relating screening measures to performance is the difficulty of measuring performance. There is currently no single, solid, and reliable measure of an individual's performance in the military. In the absence of such a single measure, we attempt to estimate the quality of an individual's performance by assessing various easily measured indicators that have some logical, although imperfect, relationship to job performance. An individual has to pass through many gates before being assigned to a military unit and, after that, in order to remain in service. A new enlistee must graduate from recruit training and pass a skill training course before being assigned to a unit. A member of a unit must reach a standard level of performance, often having to pass written and hands-on performance tests, before being recommended for promotion. Finally, each first-termer is carefully evaluated to determine his eligibility to reenlist and become part of the career force. These multiple gates serve to screen out many of the people who are initially admitted to military service. It is reasonable to assume that an individual who passes through these gates successfully is a satisfactory performer.

I am not satisfied with our efforts to relate our entrance standards to job performance. I believe the ultimate validation of entrance tests and standards is by measurement against job performance. The Department has initiated a long-term program of research to relate our enlistment standards to performance on the job. Each of the Services, in coordination with my staff, is in the process of implementing a research effort in this area. As we reported to the Congress in our December 31, 1980 report titled Implementation of New Armed Services Vocational Aptitude Battery and Actions to Improve the Enlistment Standards Process, the first findings from this analysis suggest that most of the low scoring people who entered the Army are performing adequately. As this work is completed, the Services should be in a much improved position to set aptitude standards for enlistment in a way that relates them to performance and the costs associated with both recruiting and training.

Educational Benefits.—High on the list of ways to help the Services attract high quality enlistees is a program of educational incentives. Many bills introduced during the 96th Congress dealt with military educational benefits, such as changes to the Vietnam-era GI bill, changes in the post-Vietnam Veterans Educational Assistance Program (VEAP), and new post-Service programs. Several bills on these programs have been introduced in the 97th Congress.

We are currently testing three educational incentive programs authorized last year:

—Noncontributory tuition assistance of $1200 per academic year plus a $300 monthly stipend, both to be inflation adjusted.

—Loan forgiveness whereby one year of active service allows repayment of 33⅓ percent or $1500, whichever is larger, of a federal education loan that was made before the service was performed. For Reserves, the repayment amount is 15 percent or $500, whichever is greater. Guaranteed Student Loans and National Direct Student Loans are the only loans that qualify for this repayment.

—Noncontributory VEAP in which the Department pays the member's maximum contribution of $2700. The Veterans' Administration matches this amount on a $2 for $1 basis.

The tests are being offered in specific areas throughout the country to nonprior service enlistees who are high school diploma graduates, score 50 or better on the AFQT and enter particular military occupational specialties.

Also included is an Army test of 2-year enlistment terms combined with higher levels of DOD VEAP contributions ($8,000, $12,000 and $12,000 for two, three and four year enlistments). This is a continuation of a previous Army experiment with short enlistment terms and lower DOD contributions ($2,000, $4,000 and $6,000 for two, three and four year enlistments respectively). Research on the earlier Army test shows that the DOD contributions increased enlistments somewhat among high quality youth.

Another part of the test will be concerned with those educational incentives that encourage a member to remain in the military. This part of the test is being designed and is scheduled to begin in the near future.

In the course of this test program, we will also address several related aspects of educational assistance:

—We will analyze the ability of the military to attract college bound youth in an atmosphere where extensive educational assistance is already available. The overall amount of federal assistance that is available to college bound youth has gone up more than 500 percent during the period of the All Volunteer Force. It is important to note that none of these federal educational programs requires any kind of military or other service from any of the recipients. In fact, they have been called a GI bill without any GI's. The competition of these programs for the people whom we most want to attract raises a serious question as to whether, even with a GI bill, we would be able to get a larger share of the high quality youth market.

—We will estimate the effects of educational assistance programs on the career plans of those members receiving the options.

—We will obtain information about the value enlistees place on specifice educational assistance elements such as transferability, cost-of-living escalation, cash out provisions, and noncontributory benefits.

In action related to the conduct of our test program, the Veterans' Administration has budgeted in fiscal year 1982 for a one year continuation of the VEAP program. Results from our test are expected in time for the Congressional hearings on the fiscal year 1983 Defense Authorization Bill. At that time the Department will be able to submit to Congress its proposal for a program of educational incentives for the military.

Active Duty Enlisted Retention and Career Manning.—The architects of the All Volunteer Force anticipated that the challenge of a volunteer era would be in the recruiting arena. They did not anticipate any difficulties in maintaining a career force of supervisors and technicians. We have experienced in recent years a decline in the reenlistment rates of our most experienced people but, we are optimistic that the recent improvements in military compensation will reverse the downward trend in career reenlistment rates. Table 10 reflects the pattern of reenlistment rates for the active duy enlisted career force from fiscal year 1974 to the present.

TABLE 10.—DEPARTMENT OF DEFENSE, HISTORICAL CAREER REENLISTMENT RATES

[By service, numbers in thousands; rates in percent]

	Army		Navy		Marine Corps		Air Force		DOD	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Fiscal year:										
1974	40.8	75	37.1	80	6.9	80	46.8	90	131.5	81
1975	40.4	75	34.0	81	6.8	73	50.2	90	131.5	82
1976	38.0	71	22.8	75	5.6	78	48.8	82	115.2	76
1977	49.5	70	19.6	68	6.0	72	44.6	86	119.8	75
1978	52.7	69	19.5	64	6.6	70	37.3	82	116.1	72
1979	54.4	66	18.4	62	8.3	52	36.2	82	117.3	68
1980	57.6	69	21.8	67	7.9	50	38.4	82	125.5	71
1981[1]	13.9	73	7.3	74	2.3	72	11.8	85	35.3	77

[1] Through December.

The improvement in the rate thus far in fiscal year 1981 makes us optimistic about the beneficial effects of the compensation initiatives enacted last year. While it is too soon to assess their full impact, these compensation improvements could help alleviate the Navy's career force manning problem in many specialties.

Reenlistment rates alone do not provide a succinct picture of retention and career manning trends, and can be subject to misinterpretation. Retention is a complex issue, influenced by many different things, from the characteristics of new recruits to the features of the military retirement system. Further, the problem, root cause, and prognosis for the future differ depending on the Service and on the occupational specialty at issue. Traditional indicators of the nature of the problem are often paradoxical. For example, the Army career force (people with over four years of service) has grown by 45,000 (22 percent) since 1974. At the end of Fiscal Year 1980, the Army career content reached a record 40 percent of total enlisted strength, and the number of Army careerists today exceed the number on hand in 1968 when the force size was nearly double. On the other hand, there are significant shortages of experienced personnel in selected Army skills, particularly those in which the requirement is predominantly for service overseas.

CAREER FORCE TRENDS
FISCAL YEARS 1974 THROUGH 1980

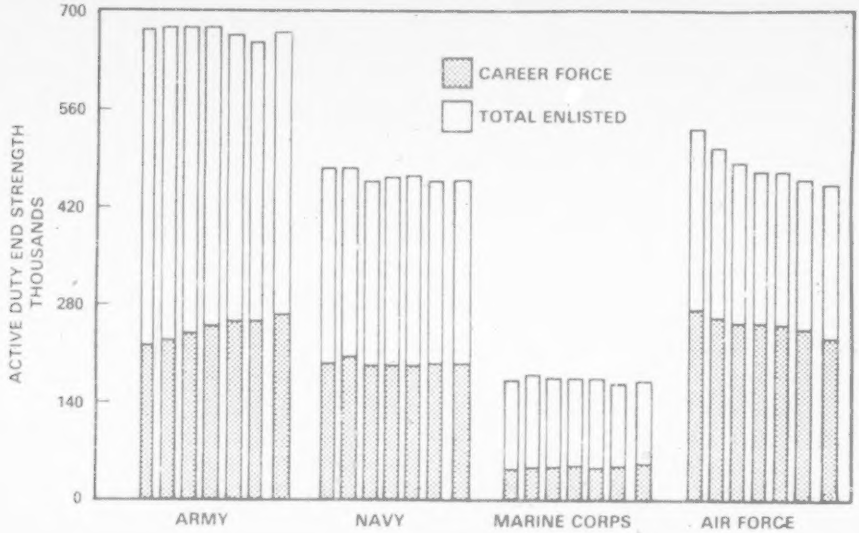


FIGURE 4

Actually, the size of the total DOD active duty enlisted career force has been quite stable since the beginning of the All Volunteer Force. As shown in Figure 4, the Army career content has gone up, the Navy and Marine Corps content has remained relatively constant, and only the Air Force career content has decreased. Because the total career period spans some 26 years of service, it is useful to look at the career force in subgroupings of experience. If we break apart the components of the career force and look at those in their fifth to twelfth year of service versus those in their thirteenth to thirtieth year of service we get a somewhat different and quite interesting picture.

Figure 5 shows the shift in experience mix within the career force. The less experienced group is the pool from which the more experienced group is drawn. Thus the decline in the 13–30 years of service cohorts is at least partially the result of a decline in the 5–12 years of service cohorts in the early 1970s. Those small cohorts can be attributed to a drop in first-term reenlistments during Vietnam. This chart also shows that in recent years we have been increasing the size of the pool from which the senior career force is drawn and we hope to stimulate a turnaround in the numbers of people with 13–30 years of service.

The current career manning situation cannot be attributed to a single factor but rather results from a complex combination of factors. Chief among these are:

—an exodus of unusually large cohorts of senior people who reached retirement eligibility;

—a series of small cohorts attributable to the decline in Vietnam era first-term reenlistment rates:

—military pay erosion relative to civilian pay;

—the failure to offer bonuses at second and subsequent reenlistment points; and

—the spiral effect produced when shortages of experienced personnel require those who remain to work longer hours and have more overseas/sea-tours.

The career manning difficulties of the active force did not occur overnight and they cannot be quickly corrected. In addition to the general pay increases, variable housing allowances, new sea/sub pay and other special pay changes, we are also substantially expanding the amount of bonus money available to reenlistees. These bonuses are targeted on critical shortage skills and, as of October 1, 1980,

CAREER FORCE STRENGTH COMPARISON

DoD

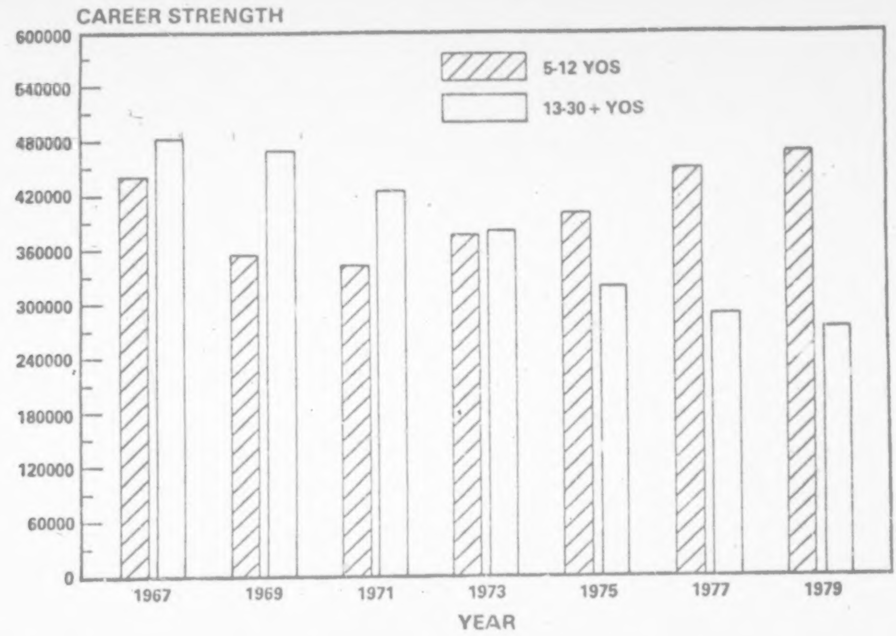


FIGURE 5

can be paid to people with up to 14 years of service. Compensation improvements should make a substantial difference in the retention of our most experienced enlisted personnel.

In contrast to our experience with enlisted personnel, we are achieving desired officer accession and retention objectives with a few exceptions. Unfortunately, the exceptions are in the high skill, high cost areas, such as in the pilot, nuclear qualified, and engineering officer communities. Manning in these skills has shown a downward trend over the past several years, caused mainly by increased hiring by the airlines, power facilities, and other engineer-intensive industries. Recent initiatives such as increases in aviation career incentive pay and bonus authority, sea and submarine pay incentives, other general compensation improvements, voluntary recall programs, and actions aimed at improving the attractiveness of careers in these specialties will help to restore manning to a more acceptable level. We will closely monitor the results of these programs and take appropriate action where necessary to strengthen our posture.

Training.—The Department of Defense is continuing to emphasize quality training for new entrants into service, members of the career force, and also for operational units in the field. Sound, realistic training is inseparably connected to readiness. No military force can be ready for combat without a foundation of good training. Good training can do much to overcome deficiencies which may exist in other factors that affect readiness.

The Army has been intensively studying its training courses for new entrants to determine how well they impart the required military skills and attributes. As a result of the studies, the Army plans to increase the length of its recruit training and one-station unit training (OSUT) courses by one week and also to lengthen the training day by one hour. Much of the added training time will be devoted to more intensive training in the use of weapons. This initiative is expected to pay off not only in graduates who are more proficient in military skills but also in greater motivation, better discipline and less post-training attrition. We continue to search for improvement like this in the training conducted in our schools.

Providing realistic training for operational units is a difficult and expensive task. Land and airspace for training are limited both in size and in allowable live firing and maneuvering. Fuel costs are high and ammunition costs, in many cases, have risen even more steeply. We have therefore directed our efforts toward the optimum use of available training resources and the use of technology to extend and supplement these resources.

The Air Force's RED FLAG exercises, being conducted at Nellis Air Force Base, Nevada, and the Army's National Training Center, under development at Fort Irwin, California, illustrate these points. Both take advantage of the huge existing military reservations and relatively uncluttered airspace in the southwest desert. Under both programs, units from bases that do not have these advantages rotate to the training centers periodically and engage in intensive tactical training that employs opposing "enemy" forces trained in Soviet tactics. Through technological means and extensive interviews, the events of the maneuvers are recorded so that new tactics can be tested, faults can be diagnosed and corrected, and the training readiness of the participating units can be measured with a degree of objectivity that was not previously available. Units trained at these two centers under conditions that closely approximate the rigors of combat will be far better equipped to fight successfully and survive in the early days of actual combat than conventionally trained units.

Modern technology provides many means to overcome the constraints on good training. The Navy is making increased use of Pierside Van Trainers. These trainers, parked by a docked ship, can be plugged into the ship's systems and exercise the crewmembers in antisubmarine or air defense engagements. The Army and Marine Corps are procuring sets of MILES, a system of lasers and laser detectors used in opposing forces maneuvers that will measure relative success in placing accurate fire on the enemy and in minimizing vulnerability to enemy fire.

All of the Services are continuing to emphasize the use of modern flight simulators. Simultators allow the Services to avoid some of the costs of flying for training purposes, but their primary value is in the new dimensions they offer as a supplement to in-flight training. Simulators allow repetitive practice of both routine and emergency maneuvers—some of which are too dangerous to practice in the air—with playback to diagnose and correct faulty procedures.

Through these and other applications of ingenuity and technology to training we will continue to improve the readiness of our forces for their wartime missions.

In December 1980, Secretary Brown and the Ministers of Defense of eleven NATO nations signed a memorandum of understanding establishing the Euro NATO Joint Jet Pilot Training Program. The training program, which is scheduled to begin in October 1981 at Sheppard Air Force Base, Texas, will have a NATO syllabus, will be jointly funded by the participating nations, and will have a joint staff, faculty, and student body. Our NATO Allies will get far better trained pilots through this program than they could possibly produce in their own countries at equivalent cost. More important, the joint training experience will contribute greatly to the development of standardized tactical doctrine and the ability of the NATO air forces to operate together in combat.

In summary, we are making substantial strides toward better training. With the continued support of the Congress, we will provide our service-members and the units with the tough, realistic training they must have to meet the challenges that lie ahead.

Quality of Life.—We are trying to create a living and working environment for our Service members that clearly demonstrates our conviction that our Armed Forces personnel are our most important asset. Our quality of life initiatives include military construction programs and operational funding programs for medical, housing, child care, education, religious, postal, recreational and other community facilities.

The human dimension of military service—the job, living and recreational conditions of service life—is important to the recruitment, retention, discipline, morale and readiness of military members. Efforts to improve the quality of service life epitomize the Department of Defense commitment to treat its military personnel equitably and with compassion.

In support of this objective, the Department is preparing legislation to remove the 325,000 ceiling on the number of dependents overseas that was imposed by an amendment to title 37, contained in the fiscal year 1980 DoD Authorization

Act. The Department's position has been that there should be no ceiling on the number of dependents abroad. Dependents do not impair readiness but rather their presence makes a positive contribution to morale and retention. In almost all areas overseas they do not constitute the dominant American civilian presence nor do they inhibit normal military operations and training. They do, however, add stability to the military population, reduce the incidence of abnormal and disruptive behavior and permit the avoidance of debilitating family separations.

The major impact from the dependents overseas ceiling will be absorbed primarily by our career force. Travel delays and increased reliance on unaccompanied tours will prove costly in terms of retention, which could seriously threaten the experience base of the Armed Forces. Shorter unaccompanied tours require more frequent PCS moves, and result in heightened unit turbulence, increased manpower authorizations to support the larger number of individuals in a transient status and decreases in the time between overseas assignments for career personnel.

Our concern for readiness is best served by avoiding arbitrary constraints on dependent travel and by providing decent support to those who live abroad.

Military Compensation Initiatives.—During the closing months of the 96th Congress, many legislative proposals were enacted and expenditures authorized which greatly improved the financial situation of our service members. We believe that we have already begun to observe the effects of these actions on retention. Among the more significant accomplishments were the 11.7 percent pay raise which included base pay, subsistence and quarters allowances, increases in the level of travel reimbursement, payment of a variable housing allowance (VHA) to service members living in areas where the average housing costs exceed the basic allowance for quarters (BAQ) by 15 percent or more, and significant increases in the levels of aviation career incentive pay, sea duty pay, and submarine duty pay. There were also many other initiatives enacted which affected smaller or more specific portions of the military population.

We support the continuation of efforts to reestablish the comparability between military and civilian pay levels that existed at the inception of the All Volunteer Force. We are addressing the issue of military compensation from the point of view of fairness to our service members as well as that of the effects of compensation changes on recruiting and retention. Studies are currently underway to determine exactly what further changes are necessary in support of each of these objectives. We expect to make recommendations very shortly as a result of these studies, and look forward to working with the Congress to see to it that the gains in military compensation realized last year are not allowed to erode again.

Management of Civilian Workforce.—Proper management of the nearly one million civilians whose work provides essential continuity and flexibility to the Department of Defense is a matter of continuing concern. While the Civil Service Reform Act gave us an important tool toward this end, several problem areas still remain.

The current basis for compensation comparability with the private sector is pay alone. Because there is considerable evidence that the fringe benefits of federal employees have a dollar value which is significantly higher than the average of fringe benefits received in the private sector, a comparison limited only to pay results in federal employees receiving higher levels of total compensation than their private sector counterparts. Thus, budgetary savings could be realized if pay-setting procedures were reformed so that comparability would be determined on the basis of total compensation and, if consideration were given to the federal advantage in job security, promotion opportunity and other non-pay conditions of employment.

For several years, the Department of Defense has also supported reform of the Federal Wage System which would improve our ability to manage our large blue collar workforce. In brief, the problem arises because statutory provisions of the blue collar pay-setting process cause Federal Wage System personnel to be paid an average of roughly eight percent above their private sector counterparts—$600 to $800 million annually at current pay levels for DOD alone. This statutorily mandated overpayment creates inequities and administrative problems in addition to excessive labor costs. The most serious of these inequities have been numerous pay "inversions" in which white collar supervisors are paid less than their blue collar subordinates. In some cases, blue collar employees have refused promotions which would have enabled us to make better use of their skills. Reform of the Federal Wage System would enable better use of all our workers, both blue collar and white collar, in their most productive occupations, while improving the management of the entire Defense civilian workforce.

Reduction of General and Flag Officers and High Level Civilians.—The fiscal year 1978 Miiltary Authorization and Appropriations Act required that the Department reduce the number of civilians in grades GS–13 through GS–18 and the number of general and flag officers by six percent from the levels existing as of September 30, 1977. Subsequently, the reduction completion date was extended by one year for general and flag officers and by two years for civilians.

The Department conducted a study of general and flag officer requirements and submitted a report to the Congress that recommended that the remaining reduction be rescinded based on validation of existing requirements. The reduction was deferred by the Congress in the DOD Authorization Act for fiscal year 1981 for one year with the stipulation that the Department submit a report by March 1, 1981 that would: (1) effect the reallocation of 24 general and flag officer billets among the Services in other than a "pro rata" basis; (2) recommend a legislative proposal to eliminate minimum grade requirements for general and flag officers established in law; and (3) establish a methodology for validating 25 percent of the general and flag officer resource to the Congress annually. Also, the Defense Officer Personnel Management Act (DOPMA), requires the Department to include civilian senior executive positions in the review process and to submit a follow-on legislative proposal that would address these as well as other general and flag officer management requirements on a comprehensive basis. The Department has submitted the required report which describes the reallocation and outlines the Department's plans to submit comprehensive general and flag officer legislation for consideration early next year.

These ceilings have forced the Department to reduce its senior level military and civilian personnel to levels which I do not believe are prudent. This is especially true in view of the emphasis on increasing military readiness and capability. Therefore, the DOD proposed fiscal year 1982 Authorization Act contains language to repeal Section 811(a) of Public Law 95–79 thereby removing the ceilings on senior military and civilians in the Department. I urge your support.

III. RESERVE MANNING AND MOBILIZATION MANPOWER

The units and individuals in our Reserve Components are an essential part of our national defense capability. The units of the Reserve Forces are needed to augment the active forces during periods of national emergency or war. In addition to the units, pretrained individuals will be needed to fill active and reserve units to wartime strength and to replace casualties during the initial stages of war. These individuals must be trained in military skills during peacetime and obligated to serve in time of national emergency or war.

The Department of Defense also needs an effective and responsive Selective Service System, one that is capable of providing an early and rapid flow of inductees into the training bases to complement the needed pools of individuals already trained in peacetime. These inductees would begin to meet trained manpower requirements after the first three months of mobilization.

The following sections address the Department's progress in improving the supply of mobilization manpower. The most critical problem remains within the Army. For that reason I have highlighted the status of Army mobilization manpower.

Reserve Components.—One-half of the nation's combat power and two-thirds of our support capability are maintained in the Reserve Forces. The Army National Guard has eight combat divisions and 22 combat brigades, and the United States Army Reserve has three combat brigades. Between the two components, they have over two-thirds of the Army's support capability—a ground force of greater magnitude than most of our allies. The Naval Reserve contains approximately 15 percent of the total Navy mobilization manpower assets in 48 Reserve Force aviation squadrons, 53 Naval Reserve Force ships, the naval construction force (SEABEE), and additional augmentation units involving a diversity of aviation and surface missions, functions, platforms, and activities. The Air National Guard and the Air Force Reserve comprise a force of 152,000 drilling reservists, many with more experience and training than active duty personnel, plus 1,900 aircraft in 144 flying squadrons, a force larger than all but four of the world's regular air forces. The Marine Corps Selected Reserve is organized into a Fourth Division Wing Team, which represents 25 percent of divisions, aircraft wings, and service support forces in the total Marine Corps.

Readiness in the Guard and Reserve units is improving, but there are still problem areas that preclude some Reserve Force units from attaining desired readiness objectives. A major impediment to Army Guard and Reserve Force readiness has been the personnel shortage. The strength of the two components has been increasing since fiscal year 1978, and both components essentially met their fiscal year 1980 end strength objectives. Further increases are programmed in fiscal year 1982. We expect all of the Selected Reserve units to achieve their peacetime strength no later than the end of fiscal year 1986.

Selected Reserve Strength.—Overall, the strength of the Ready Reserve, which is composed of the Selected Reserve and Pretrained Individual Reservists, has had two full years of increasing growth in fiscal year 1979 and fiscal year 1980 after declining precipitously from fiscal year 1974 through fiscal year 1978. The first month of fiscal year 1981 continued to show increases in strength.

Table 11 displays the strength of the Selected Reserve by component for the period end-fiscal year 1980 through end-fiscal year 1982.

TABLE 11.—SELECTED RESERVE STRENGTH BY COMPONENT

[End fiscal year in thousands]

Component	Fiscal year—		
	1980 actual	1981 estimate	1982 request
Army National Guard	366.6	385.8	397.7
Army Reserve	206.6	216.8	236.6
Naval Reserve	87.1	87.0	87.6
Marine Corps Reserve	35.4	36.7	38.5
Air National Guard	96.3	98.1	98.3
Air Force Reserve	58.9	60.8	64.0
DOD total	850.9	885.4	922.6

The strengths of all but the Army Guard and Army Reserve are at the objective levels. The strengths of the other components are not supply constrained. In fact, the strengths of the Air National Guard and Air Force Selected Reserve were at an all-time high as of the end of fiscal year 1980.

Selected Reserve Strength Initiatives.—From the end of the draft and the beginning of the All Volunteer Force in fiscal year 1974 through the end of fiscal year 1978, the Reserve Components experienced a significant decline in strength, particularly in the Army National Guard and Army Reserve. Since fiscal year 1979, the Department has had an aggressive program to build strength in the Selected Reserve. This section will concentrate on those initiatives which have been successful in rebuilding the strength.

In fiscal year 1979, Congress authorized and funded an incentive program for enlistment and reenlistment in the Selected Reserve. This program has been increased every year since then. The actual cost of this program was $12.8 million in fiscal year 1979 and $23.5 million in fiscal year 1980. We expect to spend $73.1 million in fiscal year 1981, and are requesting a total of $90.8 million for these incentives for fiscal year 1982. The authorized incentives are an enlistment bonus, educational assistance program, reenlistment bonus, affiliation bonus and a student loan forgiveness program. The latter two have recently been authorized and their effects won't be measurable until sometime later.

In addition to the very successful incentive program, we are now offering nonprior service individuals shorter enlistment terms in the Selected Reserve. Those joining the Army Selected Reserve may do so for a 3-year term with a balance of 3 years to be served in the IRR. Those joining other Services' Selected Reserve may do so for 4 years with a balance of 2 years in the IRR. In the past, a full 6 years in the Selected Reserve was required of all enlistees.

In order to make Reserve service available to more people, a split training option was begun which allows a student to participate in the Selected Reserve without interfering with normal school schedules. This method of attending the usual 12-week initial active duty for training period in two increments allows both high school students and college students to be enlisted.

During fiscal year 1979, recruiting for the Army Reserve became the responsibility of the U.S. Army Recruiting Command. The Army Reserve was the last of the components to make use of a full-time, professional recruiting force. The recruiting advertising program for the Reserves has been enhanced and a joint advertising program is now underway. The mission of the National Committee for Employer Support of the Guard and Reserve has been expanded to include public support in general rather than exclusively employer support.

The unprogramed loss of members prior to the completion of the contractually obligated term has been the major cause of strength shortages in the past. In order to combat this, a program for the control of attrition has been implemented. This program encompasses: establishment of loss reduction goals; an accession cohort tracking system for better management; revision of existing out-moded regulations; research; improvement of financial incentives; improvement of training and leadership; and new sanctions to assure contract completion.

Pretrained Individual Manpower.—Table 12 displays the strength of the IRR/ING by Service for the period end-fiscal year 1980 through end-fiscal year 1982.

TABLE 12.—IRR/ING STRENGTH BY SERVICE

[End fiscal year in thousands]

Service	1980	1981	1982
Army (IRR/ING)	212	261	319
Navy	97	115	125
Marine Corps	56	65	65
Air Force	46	59	70
DOD total	413	500	581

The increases in IRR/ING strength are smaller than in the Selected Reserve because fewer people left the Selected Reserve to go to the IRR/ING and more people were recruited out of the IRR/ING into the Selected Reserve.

One of our most serious concerns is that enough individuals with prior military training are available during the early days of a full mobilization before individuals can be enlisted and inducted into military service and trained. This manpower demand can only be met by pretrained manpower which consists of Pretrained Individual Reservists, the Standby Reserve, and retired military personnel.

Initiatives to improve Pretrained Individual Reserve strength have resulted in an increase of about 75,000 individuals since its low point in mid-1978. These initiatives, which were primarily no-cost legal or policy changes, included stopping automatic transfers to the Standby Reserve, improving personnel management, streamlining administrative transfer procedures between the active force and the IRR, and transferring individuals with mobilization potential to the IRR in lieu of discharging them from the active force with no reserve obligation. Other initiatives, already implemented, which will increase the size of the IRR in future years include giving women and enlistees 26 years of age and older the 6-year service obligation and starting an enlistee's 6-year obligation from the time he enters on active duty instead of from the time he signs an enlistment contract.

We believe that we have exhausted the no-cost initiatives that could increase pretrained strength. Without specific action to retain people in the IRR or provide another method of entry into it, IRR strength will remain relatively constant.

Programs to alter this status quo require money. We are pleased that the 96th Congress authorized and appropriated funds for an IRR reenlistment bonus for fiscal year 1981. In January 1981, all the Services began offering this bonus, which pays $600 to individuals who reenlist in the IRR for 3 years. While it is premature to analyze the results of the bonus, we do know that, historically, almost all IRR members elected discharge upon completion of their obligations. Obviously, the bonus does provide an economic incentive to continue in the IRR. We are asking for about $14 million in fiscal year 1982 for this bonus which we estimate will yield about 34,000 more people in the IRR. I urge the Congress to remove the expiration date of September 30, 1981 from this program at the earliest possible time.

Direct enlistment into the IRR provides an effective way to increase IRR strength by attracting the individual who does not desire to serve on active duty or in a reserve unit. In addition, direct enlistment can be offered in the skills that are most needed in the IRR upon mobilization. During fiscal year 1979, the Army conducted a test of this option, the results of which were inconclusive. It is essential in eliminating the Army's IRR shortage by the mid-1980's that a new source of accessions be obtained. We are exploring other alternatives which include a variable enlistment option that would produce accessions for the IRR as well as the other components.

To be consistent with our goal to create a more viable pretrained manpower resource, we need to provide the Services with the funds and manpower necessary to properly manage these assets. This management includes personnel records updating and maintenance; screening of key employees; providing physical examinations; establishing dependent entitlements; updating security clearances; offering training opportunities; and providing pay and other financial services when appropriate. Our fiscal year 1982 budget request includes resources to continue initiatives in this area such as peacetime preassignment and predesignation of individuals to mobilization positions, providing training opportunities for more IRR members, expanding service programs for the identification of mobilization positions that retirees can fill, maintenance of personnel files on retirees, and peacetime assignment of retirees to mobilization positions, and streamlining mobilization procedures for Standby Reservists.

Army Mobilization Manpower.—The following table shows last year's estimates of the Army requirements and supply of trained manpower, current estimates and projections for fiscal year 1986. The shortfall is shown at its peak; about 90 days after a decision to mobilize for a major war in Europe that starts with little warning. At this time volunteers and inductees who entered the Armed Forces after M-Day will still be at the training bases.

TABLE 13.—ARMY REQUIREMENTS AND SUPPLY OF TRAINED MANPOWER FOR MOBILIZATION [1]

[In thousands]

	End fiscal year—		
	1979	1980	1986
Requirements	1,720	1,743	1,883
Manpower available from: [2]			
Active and Reserve units	1,250	1,296	1,383
IRR/ING/IMA	140	149	264(326)
Standby Reserves	20	9	5
Retirees	40	40	120
Total	1,450	1,494	1,772(1,834)
Shortfall:			
Number	270	249	111(49)
Percent of requirement	16	14	6(3)

[1] Data jointly developed by OSD and the Army.

[2] Assumes different rates of availability from each manpower source.

Note: Numbers in parentheses represent a potential higher yield from improvements in management.

While we have by no means solved the Army pretrained manpower problem, the trend of declining shortfalls is encouraging. The improvement is due to three increasing sources of manpower, the Selected Reserve, the Individual Ready Reserve/Inactive National Guard and military retirees. The shortfall is not decreasing at the same rate as the supply is increasing because the requirements are growing. When compared to the fiscal year 1979 estimate, Army requirements have increased 23,000 and 160,000 for fiscal year 1980 and fiscal year 1986 respectively. The aggregate shortfall is primarily in combat skills. We hope thta the Army's IRR reenlistment bonus and other initiatives under review will continue the downward trend.

Selective Service Registration.—Last year it became clear that the Selective Service System could not meet Defense mobilization requirements for inductees. It couldn't deliver 100,000 inductees by 2 months after mobilization (M+60 days). Selective Service has now registered young men born in 1960 and 1961—over 3½ million individuals—and is now processing the registration cards of young men born in 1962. It also is registering on a continuing basis young men as they reach their 18th birthdays. In addition, the Selective Service System is engaged in a number of other activities to improve its readiness, including the integration of its computer system with the Military Enlistment Processing Command's computer system, so that the induction of individuals can begin smoothly should the need arise. With these improvements Selective Service can provide 100,000 inductees by M+60 days. Moreover, since peacetime registration makes earlier induction possible, we have imposed a more demanding delivery schedule upon the Selective Service System, requiring it to be prepared to deliver 100,000 inductees by M+30 days. This accelerated schedule will enable us to meet a larger part of our total wartime manpower requirement with inductees, rather than with more scarce pretrained, obligated individuals. The Selective Service System's capability to meet the accelerated schedule was demonstrated last November during Exercise PROUD SPIRIT/REX-80 BRAVO.

Improving Army Training Base Capacity.—Last year the Army completed an in-depth review of its capacity to train inductees and volunteers at mobilization. As a result of the review, resources have been requested to provide additional weapons, supplies and equipment for mobilization training and to develop mobilization programs of instruction in the initial combat skills. Resources also have been requested to procure additional war reserve stocks of uniforms and other personal equipment that will be needed to start individual training. While these actions will improve significantly the Army's capability to expand its training, much planning work remains to be done. We will be evaluating additional remedial actions in this regard as a part of our evaluation of Exercise Proud Spirit.

IV. SUPPORT REQUESTED FROM CONGRESS

Strengths Requested in Budget.—The Department requests authorization of active and reserve military and civilian manpower for fiscal year 1982 and fiscal year 1983 as shown in the following table. Actual fiscal year 1980 and planned fiscal year 1981 strengths are shown for comparison.

TABLE 14.—DEFENSE MANPOWER[1]

[In thousands, fiscal years]

	Actual 1980	1982 budget		Request 1983
		1981[2]	1982	
Active military	2,050.1	2,065.4	2,093.6	2,099.9
Selected Reserve	823.0	870.2	908.5	947.5
Civilian	990.4	1,008.3	1,024.9	1,024.9

[1] End of fiscal year strengths for active military and civilian; average strengths for Selected Reserve.

[2] Fiscal year 1981 Authorization Act (Public Law 96-342) authorized 2,051,100 active military; 861,700 Selected Reserve; and 981,100 civilians.

Active Forces.—The following table shows planned active military strength by Service.

TABLE 15.—ACTIVE MILITARY MANPOWER

[End fiscal year strength in thousands]

	Fiscal year—	
	1981	1982
Army	775.3	786.3
Navy	537.5	549.7
Marine Corps	188.1	188.1
Air Force	564.5	569.5
Total	2,065.4	2,093.6

The increase in Army strength supports shortening European tour lengths for unaccompanied first-term enlistees to 18 months, extending initial entry enlisted training from seven weeks to eight weeks, and increased accessions in fiscal year 1982 to allow force structure increases (activation of one armor and two mechanized infantry battalions and three multiple launch rocket batteries) in fiscal year 1983.

The increase in Navy strength results primarily from force structure changes, improved fleet manning, and increases in training support.

The increase in Air Force strength supports tactical fighter force modernization, phase-in of new weapons systems such as ALCM, TR-1, EF-111, etc., increased requirements for the Space Transportation System and cargo handling in aerial ports, and a number of other small changes.

Guard and Reserve.—The requested average strength for fiscal year 1982 for the Selected Reserve is shown by component in the table below.

TABLE 16.—SELECTED RESERVE STRENGTHS BY COMPONENT

[Average fiscal years, in thousands]

Component	Actual fiscal year 1980	Fiscal year 1982 budget	
		Fiscal year 1981	Fiscal year 1982 [1]
Army National Guard	353.2	377.3	392.8
Army Reserve	197.5	212.6	230.3
Naval Reserve	86.9	87.4	87.6
Marine Corps Reserve	33.6	35.8	37.0
Air National Guard	94.4	97.1	98.0
Air Force Reserve	57.4	60.0	62.8
DOD total	823.0	870.2	908.5

[1] 10,600 of the increase over fiscal year 1981 is due to the inclusion of the individual mobilization augmentees (IMA) in the Selected Reserve.

Civilians.—The following table compares the authorization request with actual civilian employment in past years:

TABLE 17.—*Trend in DOD civilian manpower*

	End fiscal year (thousands)
Actual:	
Fiscal year 1964	1,176
Fiscal year 1968	1,393
Fiscal year 1978	1,017
Fiscal year 1980	991
Fiscal year 1982 budget:	
Fiscal year 1981	1,008
Fiscal year 1982	1,025

Total DoD civilian employment in fiscal year 1981 is programed to increase slightly over fiscal year 1980. This will arrest a steady decline in civilian manpower which has dropped by 185,000 from pre-Vietnam levels and by over 400,000 from the Vietnam peak. A further small increase in civilian employment is planned for fiscal year 1982.

For fiscal year 1981, the Secretary has used the authority provided by Congress to exceed the statutory ceiling by up to 2 percent. Most of the additional civilians (+8,300) are to restore spaces we had planned to save through contracting. However, due largely to delays in issuing contract costing guidelines, the fiscal year 1980 contracting programs proceeded slower than anticipated.

We plan to continue to invite private contractors to compete with our inhouse activities for much of our commercial and industrial type work. The fiscal year 1981 and fiscal year 1982 civilian employment numbers reflect a planned conversion of 7,200 civilian spaces in fiscal year 1981 and 9,300 civilian spaces in fiscal year 1982 to contract.

Military Training Student Loads.—"Student loads" are the average number of military students and trainees enrolled in individual training and education programs during a given year. The Department is requesting the Congress to authorize student loads for fiscal year 1982 and fiscal year 1983 as indicated in Table 18.

TABLE 18.—REQUESTED MILITARY TRAINING STUDENT LOADS

	1982	1983
Active forces:		
Army	75, 728	78, 651
Navy	64, 285	63, 642
Marine Corps	18, 311	17, 656
Air Force	45, 317	47, 816
Subtotal	203, 641	207, 765
Reserve components:		
Army National Guard	14, 537	13, 867
Army Reserve	10, 830	9, 684
Naval Reserve	1, 041	1, 040
Marine Corps Reserve	2, 835	2, 835
Air National Guard	2, 157	2, 183
Air Force Reserve	1, 405	1, 397
Subtotal	32, 805	31, 006
Total	236, 446	238, 771

Legislative Proposals.—In addition to the strengths and training loads requested above, I strongly urge the Congress to support the Department's legislative initiatives. I have already discussed:

—Removal of the mental category restrictions on new enlistees;

—Repeal of the ceiling on DOD civilian strength;

—Repeal of the ceilings on dependents overseas;

—Removal of the high grade civilian and general/flag officer ceilings; and

—Reforming federal employees compensation.

In addition, I urge your support of the following:

—Repeal of Ceilings upon Declaration of National Emergency or Mobilization. During periods of national emergency or mobilization it is necessary to repeal congressionally imposed manpower ceilings to allow for the expansion of the peacetime forces to their wartime strengths and to allow a large number of new inductees and volunteers to enter the training bases to begin training. Last November, during Exercise PROUD SPIRIT, the Department of Defense discovered that current standby procedures for submitting legislative proposals at mobilization to repeal Congressionally imposed manpower ceilings were cumbersome and detracted from more essential mobilization manpower management and decisionmaking.

—Ready Reserve Emergency Presidential Powers. I recommend that Sections 511(a, c, d), Title 10, USC, be amended to permit "extension for the duration" of Ready Reservists by the President during an emergency. This authority currently resides with the Congress. An amendment to Section 671(a), Title 10, USC, to provide this authority for national emergencies (as it currently does for wars) is also recommended. These changes would enhance the mobilization capability of the Guard and Reserve.

—Retired Personnel Mobilization Improvements. In order to tap a source of pretrained individual manpower, this legislation would seek to do the following: (a) make the transfer to the Retired Reserve mandatory for those retiring from the Reserve and eliminate the option of discharge; (b) grant authority to recall Retired Reservists with 20 or more years of active duty at the same time as regular retirees also receiving retirement pay; and (c) equalize the legal requirements for the mobilization recall of all retired military personnel.

—Ready Reserve Incentives Authorization. Public Law 96–342, the 1980 Defense Authorization Bill, authorized a one-year test of three incentives designed to improve the strength of the Ready Reserve. They included: the authorization to pay an affiliation bonus to persons who volunteer to affiliate with a Selected Reserve unit for the remainder of their military service obligation; the authorization to pay a reenlistment bonus to persons who reenlist in the Individual Ready Reserve or the Inactive National Guard; and the authority to grant forgiveness of

student loans for enlisted service in the Selected Reserves. This legislation would extend these authorizations for an indefinite period of time. The control on all would then be the annual appropriations bill.

—Increased flexibility for the active force enlistment bonus program: to provide increased competitiveness in the enlistment market and to aid the Services in expanding the supply of high quality enlistees, the Department is requesting authority to pay enlistment bonuses in amounts up to $10,000. Additionally, the Department is seeking approval to pay enlistment bonuses for initial active duty periods of less than four years.

—Repeal of restrictions on the assignment of women: repeal of both 10 U.S.C. 6015 and 8549 would allow the Secretaries of the Navy and Air Force to set policy for, monitor and review the assignment of women within their respective services just as the Army now does. The Secretary of Defense would review and approve the programs and ensure comparability among the Services. I support the repeal of these unnecessary legal restrictions.

V. CONCLUSION

I believe that the manpower program outlined above provides for both the national security needs of this country and the individual needs of the men and women of our Armed Forces. Our strength levels, and the manpower programs designed to achieve and maintain them, are in consonance with our overall national defense strategy. The legislative proposals we are submitting are designed to make the management of the defense manpower program as efficient and equitable as possible. I am confident that, working with the Congress, these goals can be achieved.

Mr. STONE. Mr. Chairman, it is indeed a privilege to appear before you today to present the fiscal year 1982 Defense Manpower program. My statement reflects the proposal in President Carter's budget. The detail on President Reagan's budget amendment is being developed now. That amendment will be submitted to the Congress on March 10.

CHART 1

DEFENSE MANPOWER TRENDS

[End of fiscal year strengths in thousands, fiscal years]

	Actual				Planned [1]		
	1964	1968	1973	1976	1980	1981	1982
Active military	2,678	3,547	2,252	2,081	2,050	2,065	2,094
Selected reserve	953	922	919	823	851	885	923
Individual Ready Reserve	845	1,068	1,229	485	413	500	581
Civilians	1,176	1,394	1,100	1,046	990	1,008	1,025

[1] End strength subject to change as a result of current budget review.

MANPOWER TRENDS

If I may turn to chart 1, my first chart is a summary of defense manpower trends in the last two decades; 1968 represents the peak of the Vietnam war. You can see that active strengths have decreased from then until 1980. We have been increasing since 1980 and are requesting further increases for 1982.

The Selected Reserve is made up of organized units which drill regularly. The strength of the Reserve components bottomed in 1978 at 785,0000. Selected Reserve strength is increasing now and we expect to achieve our goal of 974,000 in the mid-1980s.

The Individual Ready Reserve includes trained individuals who still have a period of obligated service. This pool is our key source of trained manpower in the early days of mobilization before new inductees are available. The strength of this manpower pool came down dramatically from the Vietnam era. It bottomed out at 342,000 in 1978 but it is now on the way back up. Our civilian strength is projected to increase in 1981 and again in 1982.

The Carter budget for 1982 active military end strength request is an increase of approximately 29,000 over our fiscal year 1981 planned strength. The increases in the Army, Navy, and Air Force are principally related to the introduction of new weapon systems or other force structure changes. We are also extending basic training in the Army from 7 to 8 weeks. Only the Marine Corps strength remains stable from 1981 to 1982.

President Reagan may propose some further increases in active military strength.

We are requesting an increase of 38,000 in the average strength of the Reserves for 1982. These increases are principally in the Army Reserve component. The average strength of the other four Reserve components increases slightly in 1982.

President Reagan has announced increases in defense civilian employment, both in 1981 and 1982, to improve military readiness. Civilians will do many support jobs that are now due by military people. The military people will be returned to their combat units. The civilian work force will also be increased at shipyards and at aircraft and tank repair plants to make sure our expensive fighting equipment is kept ready for action.

CHART 2

FISCAL YEAR 1980, ENLISTED ACCESSIONS—ALL SOURCES [1]

Services	Fiscal year 1980			Fiscal year 1979		
	Objective	Actual	Percent of objective	Objective	Actual	Percent od objective
Army	172, 800	173, 200	100	159, 200	142, 200	89
Navy	97, 600	97, 700	100	91, 600	86, 400	94
Marine Corps	43, 700	44, 300	101	42, 900	41, 800	98
Air Force	74, 700	74, 700	100	69, 200	67, 800	98
DOD total	388, 800	389, 900	100	362, 900	338, 200	93

[1] Numbers may not add due to rounding.

I would like to talk about recruiting. On chart 2 it shows that all four services achieved their 1980 recruiting objectives. Each of the services enlisted more recruits in 1980 than in 1979. The Army recruited 22 percent more enlistees in 1980 than 1979. This is the largest increase of the four services. Also each of the services recruited more high school graduates in 1980 than in 1979.

The improved recruiting in 1980 was due to a number of factors; the extraordinarly hard work of the service recruiters, the increased difficulty young people faced in finding civilian jobs, improved recruiting management and increased recruiting resources. The Army also in 1980 accepted large numbers of non-high-school graduates in order to achieve its strength objectives and to overcome the recruiting shortage of 1979.

CHART 3

FISCAL YEAR 1981, 1ST QUARTER ENLISTED ACCESSIONS—ALL SOURCES[1]

Services	October–December, fiscal year 1981			October–December, fiscal year 1980		
	Objective	Actual	Percent of objective	Objective	Actual	Percent of objective
Army	29,200	28,900	99	40,500	38,400	95
Navy	22,300	22,900	103	21,900	21,500	99
Marine Corps	8,600	9,200	107	9,100	7,900	88
Air Force	18,900	19,000	101	16,800	16,800	100
DOD total	79,000	80,100	101	88,200	84,700	96

[1] Numbers may not add due to rounding.

Recruiting results through the first quarter of 1981 are encouraging. This is shown on chart 3. All the services achieved their overall recruiting goals. The Army recruited 72 percent high school graduates compared to only 40 percent in the same quarter last year.

One of the greatest challenges facing our military recruiters in the 1980's is the declining youth population. We have been attempting to offset this decline by reducing our demands for new male recruits. We are doing this by reducing attrition, by increasing use of women and by increasing the career content of our enlisted force. If the only problem we faced was the declining youth population, our actions to reduce the demands for male recruits would appear to be working; but over the last 6 years the number of male high school graduates entering the armed services has declined significantly. It is clear that service competitiveness in the high school graduate market has lessened. Military recruiters must work harder each year to enlist high school graduates.

To maintain our competitiveness in the youth market we must insure that the military-civilian pay relationship does not erode as it did over the 1970's. We have to make our enlistment bonus program more flexible by increasing the maximum payment level, by broadening the range of skills eligible for bonuses and by getting authority to pay bonuses to high scoring 3 year enlistees.

We want to be sure that educational incentives are designed to attract the kind of recruits that the services have the most difficulty recruiting. Our efforts to improve the quality of life of our service members should continue. As Secretary Weinberger has stated, we should make more of an effort to see that military service is portrayed as a rewarding, satisfying and valued experience for our youth.

Last year we told the Congress that the versions of the Armed Services Vocational Aptitude Battery—ASVAB—in use in January 1976 through September of last year were miscalibrated, that we had accepted far fewer people who had scored average, Category III, than we thought and far more people who scored below average, Category IV.

We introduced three new forms of the ASVAB on October 1, 1980. The new forms are an improvement over the previous versions. The new ASVAB more accurately estimates ability, particularly at the lower end of the test score range. It is a better measure of literacy.

We believe it is correctly calibrated and it no longer inflates the scores of lower scoring applicants. The multiple forms of the test are a safeguard against test compromise.

CHART 4

CONGRESSIONAL CONTROLS ON ACCESSIONS IN FISCAL YEAR 1981 DOD AUTHORIZATIONS ACT[1] (BASED ON CORRECT ASVAB CALIBRATION)

	Maximum percent category IV's	Minimum percent high school graduates
Fiscal year:		
1981	25 percent DOD average	Army, 65 percent.
1982	25 percent each service	No restriction.
1983+	20 percent each service	Do.

[1] Permanent legislation.

As you know, Congress reacted to the discovery that the percentage of category IV recruits were so much higher than originally believed by legislating recruiting constraints for the Active Force beginning in 1981. Chart 4 shows what these constraints are. It appears that these constraints will not pose a serious recruiting problem in 1981. However, the constraints on each service in 1982 and beyond could have a serious impact, particularly on the Army's recruiting capability. For example, to meet the 1982 constraints, the Army must enlist about 102,000 recruits who score in categories I through III. That would be an increase of 34 percent over the 76,000 category I to III recruits that the Army was able to enlist in 1980. If the Army can't make this 34-percent increase and if the law is not changed, the Army will be short of people needed to fill its ranks and readiness will suffer.

REQUEST REPEAL OF STATUTORY LIMITS

We request repeal of these statutory limits. We understand and agree with the intent of the constraints to improve the quality of military manpower. However, it is important to recognize that the services already have well-established programs for eliminating those recruits who are not capable of becoming useful service members. We reported to this committee in December on our study of the performance of people who would not have entered the Army if the test had been calibrated correctly. Most of them performed adequately. The recruiting constraints hamper service flexibility to adjust to changes in manpower needs and changes in the labor market.

The constraints could unnecessarily deny enlistment to many individuals who are capable of satisfactory performance, at the same time as units are remaining unfilled due to recruiting shortfalls.

CAREER FORCE RETENTION

Now let me talk about retention of the career force.

The architects of the All-Volunteer Force anticipated problems with recruiting. They did not anticipate any problems in maintaining a career force of supervisors and technicians. Why should they? The career force had always been an All-Volunteer Force. The size of the active duty career force has been stable under the All-Volunteer

Force. However, we continue to face shortages in specific skills, especially in the senior enlisted grades.

For example, the Army career force—soldiers with over 4 years of service—has grown by 22 percent since 1974. At the end of 1980, the Army career content reached a record 40 percent of total enlisted strength. Today, the number of enlisted Army careerists exceeds the number on hand in 1968 when the force size was nearly double what it is today. But there are significant shortages of experienced personnel in selected Army skills, especially those skills which require a long period of overseas duty.

An enlisted career can cover up to 30 years of service. Our shortages are of the most experienced careerists.

CHART 5

CAREER FORCE STRENGTH COMPARISON
DOD

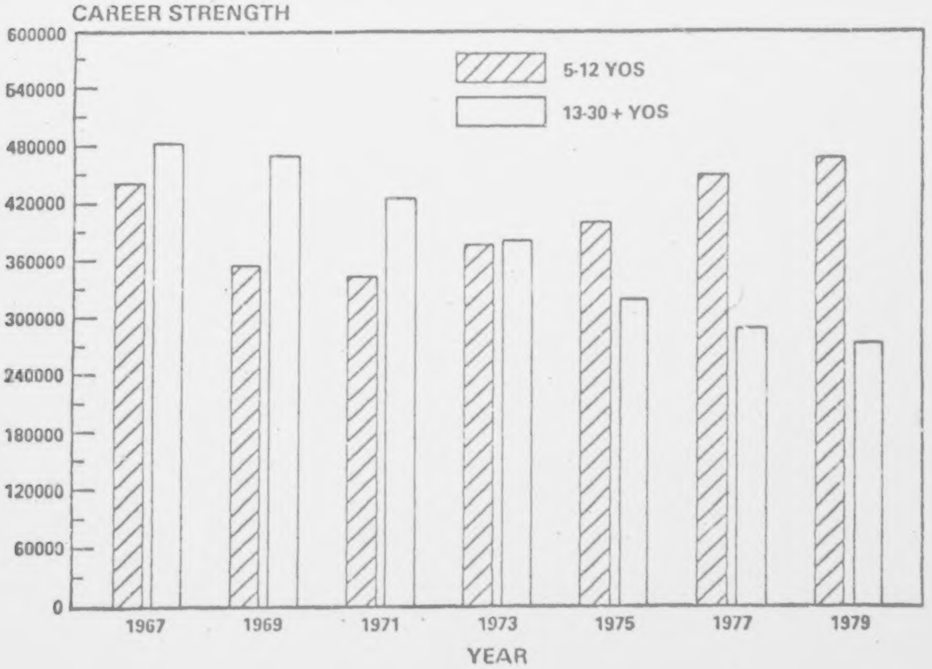


Chart 5 shows the shift in experience mix within the career force between the middle-grade career force, people with 5 to 12 years of service—these are the cross-hatched bars—at the same time the senior enlisted force, people with 13 to 30 years of service, is shrinking. The recent decline in the senior enlisted force—and this decline is the thing that people talk about when we talk about the petty officer shortage, the senior NCO shortage—this decline is at least partially the result of an earlier decline in the middle-grade cohorts in the early 1970's. The smaller cohorts are the result of a drop in first-term reenlistments in the Vietnam war. The increasing size of the group in 5 to 12 years of service is a trend that bodes well for the future because in future years these people will enter the older career force.

You can see that our current career manning situation cannot be attributed to a single factor. It is the result of a complex combination of factors. The most important of these are:

(1) An exodus of unusually large cohorts of senior people who reach retirement eligibility;

(2) A series of small cohorts attributable to the decline in the rates of first-term reenlistments while we were fighting in Vietnam;

(3) Military pay erosion relative to civilian pay;

(4) The failure to offer bonuses at second and subsequent reenlistment points; and

(5) The spiral effect produced when shortages of experienced personnel require those who remain to work longer hours and have more overseas/sea tours.

The career manning difficulties of the Active Force did not occur overnight—they cannot be corrected overnight. The prognosis is good, however. The general pay increases and the variable housing allowances, the new sea pay and sub pay, and other special pay changes, are helping and further improvements promised by the Reagan administration will help more. We are also expanding the amount of bonus money available to people who reenlist in critical shortage skills. Starting last October, these bonuses can be paid to people with up to 14 years of service. We believe that compensation and management improvements will make a substantial difference in the retention of our most experienced enlisted personnel.

OFFICER ACCESSION AND RETENTION OBJECTIVES

With a few exceptions, we are achieving our officer accession and retention objectives. The exceptions, unfortunately, are in the high skill, high cost areas such as pilot, nuclear qualified and engineering specialties. Manning in these skills has shown a downward trend in the past several years. This trend has been caused mainly by increased hiring by the airlines in the case of pilots, power facilities in the case of nuclear qualified officers, and many engineering intensive industries. We hope that recent increases in compensation, the voluntary recall programs, and our actions to improve the attractiveness of careers in these specialties will help to restore manning to a more acceptable level. We will closely monitor the results of these programs and take the appropriate action where necessary.

MILITARY COMPENSATION

I would like to talk now about military compensation. During the closing months of the 96th Congress, many pieces of legislation were enacted to improve greatly the financial situation of our service members. We believe that we are beginning to observe the effects of these actions on retention but more is needed. The Reagan administration supports reestablishing the comparability between military and civilian pay levels that existed at the beginning of the All-Volunteer Force. We have studies currently underway to determine just what further changes are necessary in support of this objective. The results of these studies will be available shortly. We look forward to working with this committee and with the Congress to see to it that the gains in military compensation realized last year are not allowed to erode again.

There has been a great deal of attention recently to programs of educational incentives for military personnel. Many bills were introduced during the 96th Congress to reestablish a GI bill to substantially change the current veterans educational assistance program. At the direction of the Congress, the Department of Defense is currently conducting tests of several educational incentive programs. These tests will tell us the ability of the military to attract college-bound youth with education incentives. They will also tell us the effects of educational assistance programs on the career plans of those members receiving the options. Finally, we will obtain information about the value enlistees place on specific educational assistance elements, such as transferability to their children, cost of living escalation, cash-out provisions, and noncontributory benefits.

The Veterans' Administration has budgeted in 1982 for a 1-year continuation of the veterans education assistance program. The results from our test are expected in time for the congressional hearings on the 1983 defense authorization bill. At that time we will be able to submit to the Congress our proposal for a permanent program of educational incentives for the military.

Along with pay and benefits, the living and recreational conditions of service life are also important to the recruitment, retention, and readiness of military members. With your support we are trying to create a living and working environment for our service members that clearly demonstrates our conviction that our military personnel are our most important asset.

DEPENDENTS OVERSEAS

To this end we are preparing legislation to remove the ceiling on the number of dependents overseas that was imposed in the 1980 Department of Defense Authorization Act. Our position is that there should be no ceiling on the number of dependents abroad. Dependents do not impair readiness. They do not interfere with normal military operations and training, far from it.

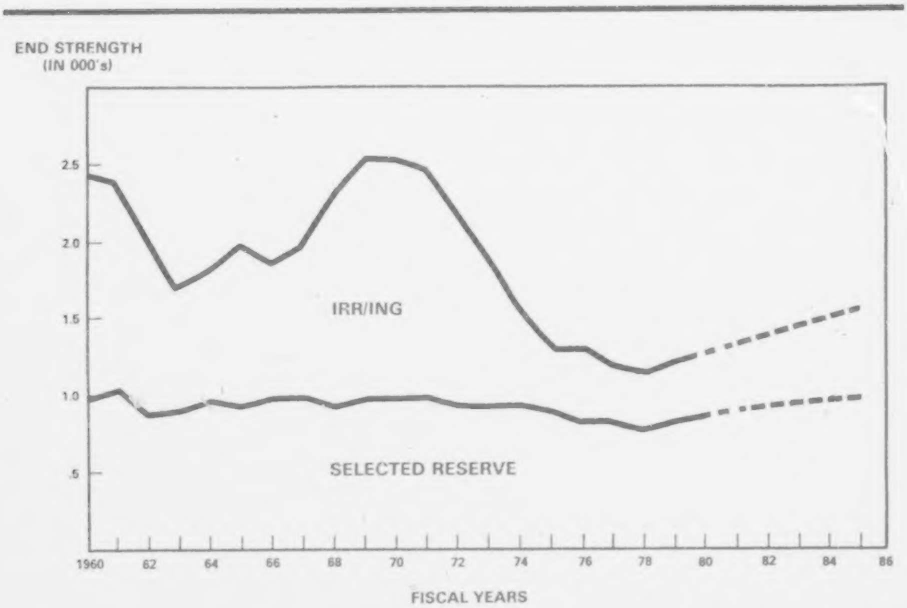
Their presence makes a positive contribution to morale and retention. They add much needed stability to the military population and they help our service members avoid long family separations.

RESERVE MANNING

I would like to talk now about Reserve manning and our mobilization plan. Reserve components are an essential part of our national defense capability. We depend on units of the Selected Reserve to augment the Active Forces during periods of national emergency or war. In addition to the units, trained individuals will be needed to fill Active and Reserve units to war-time strength and to replace casualties during the early stages of the war. These individuals must be trained in military skills during peacetime and obligated to serve in time of national emergency or war.

CHART 6

READY RESERVE STRENGTH TRENDS



The next chart, chart 6, shows the strength of the Ready Reserve. It shows that from 1974 through 1978 the strength of the Ready Reserve and the Selected Reserve and Individual Ready Reserve declined precipitously.

Since 1979, however, the Ready Reserve has experienced 2 full years of increasing strength.

IMPROVING STRENGTH LEVELS

I want to summarize our efforts to improve strength levels.

We are relying heavily on enlistment and reenlistment incentives to build up the strength of the Selected Reserve. The 1982 budget includes a total of $91 million for this program. To make Reserve service available to more people, we have developed a split training option. This option allows a student to participate in the Selected Reserve without interfering with his normal school schedules. We have also started an aggressive program to reduce attrition in the Reserves. Our goal is for all of the Selected Reserve units to achieve their peacetime strength objectives by the end of 1986.

Our efforts to increase pretrained Individual Reserve strength have added about 75,000 individuals to this manpower pool since its low point in mid-1978. These initiatives cost nothing. They were primarily tightening up a management system that had paid little attention to the numbers of pretrained individuals available. We stopped automatic transfers to the Standby Reserve, we improved personnel management, we streamlined administrative transfer procedures between the Active Force and the IRR, and we transferred individuals with mobilization potential to the IRR instead of just discharging them from the Active Force with no Reserve obligation as we had been doing. We believe that we have now exhausted these no cost initiatives. Unless we take specific action to retain people in the IRR or provide another method of entry into it, the strength of the IRR will remain relatively constant.

INDIVIDUAL READY RESERVE

We are pleased that the 96th Congress recognized the need to act in this area by authorizing and appropriating funds for an IRR reenlistment bonus for 1981. Obviously, the bonus provides an economic incentive to continue in the IRR. We are asking for about $14 million in the 1982 budget for this bonus and we estimate this will yield about 34,000 more people in the Individual Ready Reserve. I urge Congress to remove the expiration date of September 30, 1981, from this program at the earliest possible time.

Before concluding I want to mention two other items in our authorization request. The first is the repeal of the authorization ceiling on Department of Defense civilian strength. This year for the first time Congress will begin authorizing our operation and maintenance programs. Most of our civilians are paid out of O. & M. accounts. We need to have the flexibility to set our civilian strength at the level necessary to do the work you authorize. Having one authorization for overall O. & M. programs and one just for civilian manpower is redundant.

GENERAL AND FLAG OFFICER CEILINGS

We are also requesting repeal of the ceiling on general and flag officers and on high grade civilians, those in grades GS-13 and above. These ceilings have forced us to reduce our senior level military and civilian personnel to levels which I do not believe are prudent. This is especially true when we are embarked on programs to increase military readiness.

Mr. Chairman, this concludes my prepared statement. I will be pleased to try to answer any questions that you or members of the subcommittee may have.

Senator JEPSEN. Thank you, Mr. Stone.

Mr. Brinkerhoff, do you have a statement you wish to present?

Mr. BRINKERHOFF. Mr. Chairman, I have a written statement which I will request be inserted in the record. I have no oral statement but I am prepared to answer questions.

Senator JEPSEN. Without objection, your statement will be entered into the record.

[The prepared statement of Mr. Brinkerhoff follows:]

PREPARED STATEMENT OF JOHN R. BRINKERHOFF, DEPUTY ASSISTANT SECRETARY OF DEFENSE (RESERVE AFFAIRS)

INTRODUCTION

Mr. Chairman, Members of the Subcommittee: It is a pleasure to appear before this distinguished Subcommittee as Acting Deputy Assistant Secretary of Defense for Reserve Affairs.

Mr. Chairman, as the first order of business, I desire to convey to you and this committee the appreciation of the 1.3 million members of the Ready Reserve for your unwavering support. The action of the Congress last year in passing twenty items of Guard and Reserve legislation into law was of great importance in facilitating continued improvements in the readiness of the Reserve Components.

Today I will discuss our goals for this coming year and share some of the problems that merit special emphasis. We are proceding with the certain knowledge that President Reagan is committed personally to a strong Guard and Reserve.

The FY 1982 authorization request is for the Selected Reserve Average Strength shown in Table 1. There are two program changes in the FY 1982 authorization request. Beginning in FY 1982, 10,615 additional Individual Mobilization Augmentees are included in Selected Reserve strength. Beginning in FY 1983 full-time personnel in the Navy Training and Administration of Reserves (TAR) program are included in Selected Reserve strength. A total of 12,023 TAR personnel are in the end FY 1983 strength of the Naval Reserve.

TABLE 1.—SELECTED RESERVE AVERAGE STRENGTHS BY COMPONENT

	Fiscal year—			
	1980	1981	1982	1983
Army National Guard	353, 198	377, 280	392, 800	403, 400
Army Reserve	197, 546	212, 579	230, 300	243, 100
Naval Reserve	86, 874	87, 400	87, 600	99, 600
Marine Corps Reserve	33, 641	35, 849	37, 000	37, 700
Air National Guard	94, 351	97, 901	98, 000	98, 800
Air Force Reserve	57, 417	59, 960	62, 800	64, 900
Total	823, 018	870, 159	908, 500	947, 500

Within the Selected Reserve Average Strengths, we are requesting the following strengths for full-time Guard and Reserve personnel to serve on active duty Guard/Reserve (AGR) for the purpose of organizing, administering, recruiting, instructing, or training of the Reserve Components.

TABLE 2.—FULL-TIME SELECTED RESERVISTS ON ACTIVE DUTY GUARD/RESERVE

[End fiscal year strength, fiscal years]

	1981	1982	1983
Army National Guard	10, 159	11, 439	12, 512
Army Reserve	5, 400	6, 285	6, 861
Naval Reserve	308	208	[1] 12, 231
Marine Corps Reserve	67	67	67
Air National Guard	3, 207	3, 312	3, 351
Air Force Reserve	698	701	701
Total	19, 839	22, 012	35, 726

[1] Includes the Navy program for training and administration of the Reserve (TAR) for the first time.

This year's authorization request for active duty Guard and Reserve fulltime support strengths includes a subsection which provides that the end fiscal year strength authorizations may be increased by the Secretary of Defense by not more than five percent. This flexibility will allow the Reserve Components to accommodate to mission changes, accept new missions, and increase full-time support at the unit level as the Selected Reserve strength increases. The five percent limitation, the requirement for Secretary of Defense approval, and the cost of additional unbudgeted full-time support will operate to ensure that this flexibility will only be used when justified for direct improvements in Reserve readiness.

The significance of our programed increases in Selected Reserve strength become more apparent when shown as end fiscal year strengths as in Table 3 below:

TABLE 3.—SELECTED RESERVE END FISCAL YEAR STRENGHTS

	Fiscal year—			
	1980	1981	1982	1983
Army National Guard	366, 585	385, 776	397, 651	406, 699
Army Reserve	206, 626	216, 760	236, 612	249, 033
Naval Reserve	87, 050	87, 400	87, 559	99, 582
Marine Corps Reserve	35, 449	36, 653	38, 540	39, 701
Air National Guard	96, 283	98, 083	98, 300	99, 200
Air Force Reserve	58, 921	60, 754	63, 965	65, 748
Total	850, 914	885, 426	922, 627	959, 963

The Fiscal Year 1982 Budget will provide significant increases in the strengths of the Army National Guard and Army Reserve. The Air National Guard and Air Force Reserve are programed to increase their strengths to all-time highs. The Marine Corps Reserve also is programed to increase strength significantly. During fiscal year 1983 we plan to continue the strength increases for the Reserve Components. Our goal is to achieve levels which will assure that our Selected Reserve Units can mobilize, deploy, and fight rapidly upon mobilization. Our Fiscal Year 1982 Budget Request includes a strength program designed to achieve that goal.

OUR GOALS FOR THIS YEAR

We have developed a balanced program to achieve a higher readiness level for the next year. Our five main goals are:

(1) To increase public support for the Guard and Reserve.
(2) To increase strength of Selected Reserve units.
(3) To insure an adequate supply of Pretrained Individual Manpower.
(4) To improve Ready Reserve training.
(5) To improve Ready Reserve resource management.

I will address each of these goals in turn.

GOAL 1: INCREASING PUBLIC SUPPORT FOR THE GUARD AND RESERVE

The Guard and Reserve are composed primarily of citizen-soldiers who work and live in a local community and train on a part-time basis to serve their Nation in time of war. Guard and Reserve units are part of their local communities, and they depend on the support of the people in these local communities. A very important factor—perhaps the single most important factor—in our ability to man, equip, and train good Guard and Reserve units is the support of the American people. Because of this, we have designated achieving this public support as a major program goal.

There are three aspects of public support. Public awareness informs the people of the United States of the mission and nature of the Guard and Reserve. Community support informs the people of our cities, towns, and neighborhoods of the importance and activities of their local Guard and Reserve units. Employer support assures that inevitable conflicts between time for civilian employment and time for Reserve training are managed in a manner satisfactory to both parties. The National Guard and Reserve Components come from the American people, they will be good as the American people want them to be. Our job is to be certain that the American people know about the value and nature of their Reserve Components.

PUBLIC AWARENESS

Our research shows that of the multitude of factors which contribute to deterrence (and should deterrence fail, provide National capability to fight and win), the Guard and Reserve are among the least-appreciated and least-understood. The general public appears to be unaware of the essential role of the

Guard and Reserve in our National Security. Few people understand that half of the National combat capability and two-thirds of the support capability are in the Guard and Reserve. The general public does not understand how the Guard and Reserve function and they do not appreciate the vital role of the citizen-soldier.

The general public is also largely unaware of the personal sacrifices entailed in Guard and Reserve membership. Insufficient attention is paid to the sacrifices endured by the families—husbands, wives, parents, and children—whenever Guardsmen or Reservists are performing military duty.

All 1,300,000 members of the Ready Reserve volunteered for military service. They belong because they want to serve. Belonging means far more than a part-time job, they are motivated to serve by patriotism, individual conscience and judgment.

We believe that Guardsmen and Reservists will be more effective, and that their numbers will increase as the public becomes aware of the importance of service in the Guard and Reserve.

COMMUNITY SUPPORT

The concept of community support for local military units dates back to the earliest history of our nation when the militia was responsible for the welfare of its community and vice versa. Throughout the years, there have been countless examples of the success or failure of military units based upon the support or neglect of their immediate community.

The community must be more than just aware of a unit's presence; it must feel responsible for and care about the welfare of the unit and its members. Just like the baseball team, museum, renovation project, or the hometown boy made good, the community should take pride in the activities and accomplishments of its Guard and Reserve unit. Likewise, the Guard or Reserve unit must make a conscious effort to create a harmonious relationship. It must participate in community activities and contribute to its well-being. The result of this closer relationship and involvement will be a proud, well-manned organization with a true sense of purpose and belonging.

Building community support must be accomplished by Guard and Reserve unit commanders themselves. We cannot do it from Washington. We can, however, provide some advice and some assistance. The civic virtue of the Guard and Reserve ought to be apparent to people of all walks of life and with a wide range of political views. It is the responsibility of the local unit to be worthy of the respect and support of the community.

EMPLOYER SUPPORT

Research indicates clearly that the two prime reasons we are losing our trained, experienced mid-level managers and leaders in the Guard and Reserve are conflicts with families and with civilian employers. Some of the family conflicts actually are related to civilian employment. A reservist who must use earned vacation time to participate in military training may have difficulty justifying Guard or Reserve membership to the family and may be forced to give up military service.

Although the law provides for military leave of absence for training without sacrifice of earned vacation and insures continued civilian career opportunities for members of the Guard and Reserve, conflicts still exist, especially with first-line supervisors. Voluntary compliance by employers based upon patriotic support is better than threats of legal action.

We have been working on the problem for several years through the National Committee for Employer Support of the Guard and Reserve. The program has been successful at the highest levels of business and industry. In order to reach the grass roots level, in the communities where members of the Guard and Reserve live and work, we have expanded our efforts to the state and local levels. Each state now has an operational employer support committee composed of volunteers, most civic, business, and labor leaders, who have donated their time and energy to promote employer support. The strength and effectiveness of these state committees continue to grow. We believe that through the activities of these committees, we will experience a groundswell of community and employer support which is so necessary to the vitality of any Guard and Reserve unit.

GOAL 2: INCREASED STRENGTH OF SELECTED RESERVE UNITS

Selected Reerve strength has increased in the past two fiscal years. FY 1979 saw a modest gain of 19,400, but it was the turning point from a continuous decline since FY 1974. FY 1980 recorded a strength gain of 43,700. Strength increased another 10,800 in the 1st Quarter of FY 1981, and it is still climbing. The strength of all Reserve Components are at the budget levels. The strengths of the Naval Reserve, Marine Corps Reserve, Air National Guard and Air Force Reserve are not supply constrained. In fact, the strengths of the Air National Guard and Air Force Reserve are at an all-time high. The Army National Guard and Army Reserve are still below our objectives. However, these two components are making great strides and are the big contributors to the strength gains of the last two years. Army Guard and Army Reserve strength increased 37,700 in FY 1980 and another 9,400 in the first three months of FY 1981.

Our programs to increase the strength of the Selected Reserve Units will focus primarily on enlisted retention. Our recruiting programs, which include the enlistment bonus, education assistance, reduced initial enlistment options, the split-training option, a full-time professional recruiting force for each Reserve Component, and improved recruiting advertising, are providing us with sufficient enlisted accessions.

Starting in FY 1982, we will emphasize the trained strength of our Selected Reserve Units. Only trained unit members can contribute immediately to unit capability in the event of mobilization. Unit members who have not yet completed their initial entry training will have to remain at or go to training centers to complete that training before they can be deployed overseas or used effectively in units. There is no assurance that these trainees would be able to rejoin their original units. Trained strength in units becomes, therefore, an important indicator of the value of our strength programs.

Table 4 depicts the actual and programmed strength of trained personnel mobilizing with Selected Reserve units compared to the wartime strength of these units. Trained strength includes both drilling reservists (part-timers) and full-time unit support personnel. The full-time support personnel include Military Technicians, Full-time Guardsmen and Reservists, and Active Component personnel. Naval Reserve strengths include Active Component and Navy Training and Administration of Reserves (TAR) personnel who are in full-time support of the Naval Reserve units. The decline in trained strength mobilizing with Naval Selected Reserve units in FY 1982 is due to reductions in the number of commissioned units in the Naval Reserve Force. Because of the recent success in recruiting and retention, the Army Guard and Army Reserve projections are higher than previous forecasts. Heretofore, Army projections have reflected an intermediate objective consistent with what the Department believed was achievable. This is no longer true. We are now programing to achieve the goals we want to achieve. The FY 1982 budget program is a solid basis upon which we can increase Army Guard and Reserve trained strength to acceptable levels.

TABLE 4.--TRAINED STRENGTH MOBILIZING WITH SELECTED RESERVE UNITS

[In thousands]

	Fiscal year 1982 wartime structure requirement	Actual end fiscal year 1980	Program end fiscal year 1982	Percent of fiscal year 1982 wartime	
				End fiscal year 1980	End fiscal year 1982
Army National Guard [1]	446.1	336.9	367.5	76	82
Army Reserve	285.8	196.2	217.5	69	77
Naval Reserve [2]	120.6	96.2	94.0	80	78
Marine Corps Reserve	42.0	35.1	37.5	84	89
Air National Guard	100.8	92.1	94.2	91	93
Air Force Reserve	[3] 52.5	48.8	52.3	95	100

[1] Army Inactive National Guard (ING) not included. (5,534 in fiscal year 1980 and 20,610 in fiscal year 1982.) ING mobilization with units depends on scenario.

[2] Includes active component unit full-time support in wartime structure, actual and programed strengths including commissioned units in the NRF.

[3] Air Force Reserve structure is end fiscal year 1983 requirement.

The key now to increased strength is retention. Retention involves more than merely keeping all present members in the organization. It involves a choice by the management as to which individuals will be selected to remain. That choice can be made on the basis of past performance, potential value, knowledge and skills, as well as meeting a requirement. It is to the advantage of management to be able to continue in the organization only those people that it wants to keep rather than simply to keep everyone who wants to stay. That is, ideally, the loss of an individual should be a choice made by management. In order to do this, there must be a way to keep members in the organization until management makes its choice.

The way to keep personnel is to reduce attrition. Attrition is the loss of members other than for selection out by the management. Thus, in order to permit management to retain those it wants, it must reduce attrition of all members as much as possible. The goal for this and future years is to reduce attrition. We have developed a ten point program to reduce attrition which involves establishing the following:

(1) Goals for reduced attrition in each component.
(2) Standard attrition terminology and definitions.
(3) Data systems to measure attrition.
(4) Understanding of the reasons for attrition.
(5) Policy to make it easier to join the Guard and Reserve and harder to get out.
(6) A requirement for satisfactory participation in the training program agreed to by the Reservist before allowing the Reservist to be free of a mobilization obligation.
(7) Improved bonuses and educational incentives.
(8) Effective and interesting training.
(9) Improvements in the associational benefits of Reserve membership.
(10) Mitigation in conflicts between Reserve participation and family and employer demands.

HEALTH PROFESSIONALS IN UNITS

Table 5 shows the health professional situation in Selected Reserve Units at the end of fiscal year 1980. Although there was a 1,300 increase during fiscal year 1980, there remains a serious shortage of almost 6,000 health professionals in units. We are aware of this problem and are working on it. Three of our legislative proposals are designed to alleviate this situation. In addition, we are considering ways to make membership in the Ready Reserve more attractive to Health Professionals by tailoring training requirements to their professional needs. We intend also to make maximum use of health professionals in the Standby Reserve and among retired personnel.

TABLE 5.—SELECTED RESERVE UNIT HEALTH PROFESSIONALS, END FISCAL YEAR 1980

	Fiscal year 1980 authorization	Fiscal year 1980 actual	Strength improvement during fiscal year 1980	Current shortfall
Army National Guard	3,480	3,042	+556	−438
Army Reserve	12,843	8,107	+543	−4,736
Naval Reserve	1,743	1,389	−9	−354
Air National Guard	1,440	1,110	+56	−330
Air Force Reserve	890	779	+163	−111
Total	20,396	14,427	+1,309	−5,969

GOAL 3: INSURE AN ADEQUATE SUPPLY OF PRETRAINED INDIVIDUAL MANPOWER

One of DOD's most serious concerns is that sufficient numbers of individuals with prior military training be available to meet manpower requirements during the early days of a full mobilization before inductees can be accessed and trained. This manpower demand must be met primarily by pretrained manpower which consists of Pretrained Individual Reservists, the Standby Reserve, and retired military personnel.

The program for Pretrained Individual Manpower contains both short- and long-range goals. The long-range goal is to increase the number of Pretrained

Individual Reservists—the Individual Ready Reserve (IRR), Inactive National Guard (ING) and Individual Mobilization Augmentation (IMA)—so that they can meet the total requirement by the mid-1980's. The short-range program is to utilize the manpower resources in the Standby Reserve and retired personnel, both regular and Reserve, to help meet military mobilization manpower requirements until the long-range program achieves its goal.

Our initiatives and programs to do this fall into three major areas of effort:

1. Develop, establish and maintain a program to increase the strength of the Individual Ready Reserve and the Inactive National Guard.
2. Develop and establish programs to improve the management of Pretrained Individual Reservists.
3. Develop programs for the mobilization utilization of Standby Reservists and military retirees.

Initiatives to improve Pretrained Individual Reserve strength have resulted in an increase of about 75,000 individuals since the low point in mid-1978. These initiatives, which were primarily no-cost legal or policy changes, included stopping automatic transfers to the Standby Reserve, improved personnel management, streamlining administrative transfer procedures between the active force and the IRR, and transferring individuals with mobilization potential to the IRR in lieu of discharging them from the active force. Other initiatives which will increase the size of the IRR in future years include giving women and enlistees 26 years of age and older the 6-year service obligation and deleting the time active force enlistees spend in the Delayed Enlistment Program from counting toward fulfillment of the 6-year obligation.

We believe that we have accomplished all of the no-cost initiatives that could increase pretrained strength. As shown in Table 6, the IRR is a function of the size of the active components. Without additional specific actions to retain people in the IRR or provide another method of entry into it, we believe that IRR strength will remain relatively constant from this time forward

ACTIVE AND IRR/ING STRENGTH TRENDS

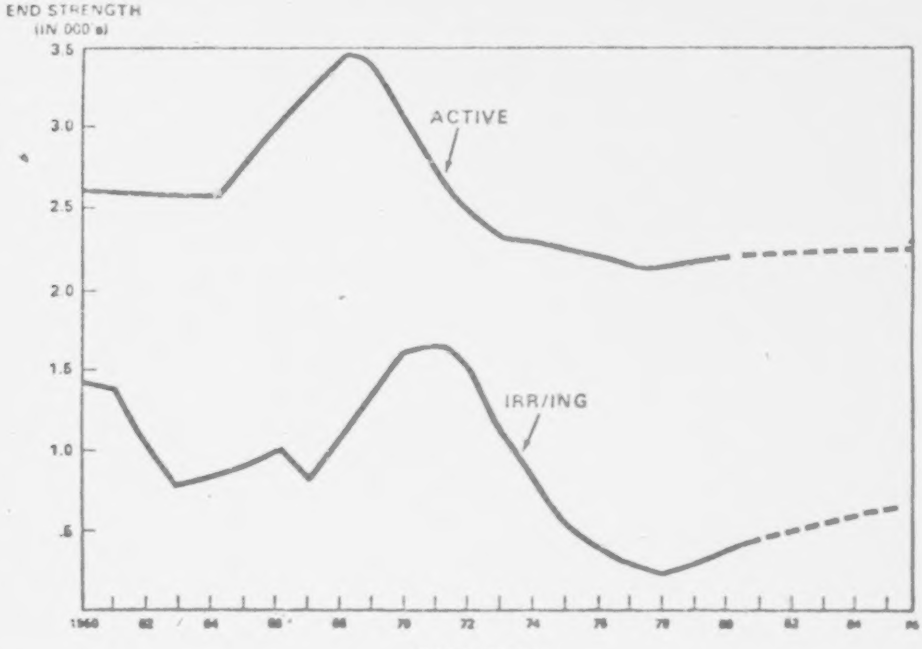


TABLE 6

IRR/ING STRENGTH PROGRAMS

Programs to alter this status quo require the expenditure of money. We are gratified that the 96th Congress recognized this by authorizing an IRR reenlistment bonus for fiscal year 1981 and appropriating funds for it. This year all the Services began offering this bonus, which pays $600 to individuals who reenlist in the IRR/ING for 3 years. Historically almost all IRR members elected discharge upon completion of their obligations. The bonus does provide an economic incentive to continue in the IRR/ING, and we believe it will cause a significant increase *in IRR/ING strength*. We are asking for about $14 million in fiscal year 1982 for this bonus, which should yield about 34,000 more people. I request that the committee extend authority for this bonus beyond the present expiration date of September 30, 1981.

Direct enlistment into the IRR also provides an effective way to increase IRR strength by attracting the individual who does not desire to serve on active duty or in a Reserve Component unit. In addition, direct enlistment can be offered in the skills that are most needed in the IRR upon mobilization. Although the results of the fiscal year 1979 Army test of this option were somewhat inconclusive, we believe that it is a useful program. If we are to eliminate the Army's mobilization manpower shortages by the mid-1980's, a new source of accessions must be tapped. Direct enlistment does that.

INDIVIDUAL MOBILIZATION AUGMENTEES

Individual Mobilization Augmentees (IMA) are preassigned to active component units to fill wartime authorizations. These reservists receive peacetime training with the units they would augment during wartime. The Air Force has had the IMA program for several years. The Marine Corps has had a small IMA program also. The IMA program is being extended to all of the Military Services beginning in fiscal year 1982 and increased in size. IMAs will be part of the Selected Reserve. The amount of training each individual is required to accomplish in peacetime to insure immediate and effective performance of duty upon mobilization will be determined by the active organization. As members of the Selected Reserve, IMAs will be eligible for recall under the 100,000 call-up authority of the President. Priority will be given to identifying and filling IMA positions augmenting active organizations that have high priority mobilization missions such as the Rapid Deployment Force. Table 7 shows the IMA program in the fiscal year 1982 Budget.

TABLE 7.—DOD INDIVIDUAL MOBILIZATION AUGMENTEE PROGRAM, END FISCAL YEAR STRENGTHS

	Fiscal year—			
	1980	1981	1982	1983
Army Reserve			8, 600	9, 600
Naval Reserve			351	351
Marine Corps Reserve	236	236	936	936
Air Force Reserve	8, 578	9, 040	10, 102	10, 392
Total	8, 814	9, 276	19, 989	21, 279

IRR MANAGEMENT

Peacetime management of pretrained individual manpower is necessary to assure that these personnel can be utilized effectively in a mobilization. This management includes updating and maintenance of personnel records; screening of key employees; providing physical examinations; establishing dependent entitlements; updating security clearances; offering training opportunities; and providing pay and other financial services when appropriate. The Services should be provided with the funds and manpower necessary to manage these manpower assets.

An important aspect of the management of Individual Ready Reservists is the peacetime preassignment to mobilization positions or bases. In order to insure that those mobilization positions that require filling soon after M-Day are filled, the Services are beginning to preassign Individual Ready Reservists and regular and Reserve retired personnel to them. Preassignment requires a determination of who can fill the mobilization position, matching pretrained individuals with those positions, and the issuance of preassignment orders. In many cases IRR personnel are preassigned to mobilization stations for subsequent assignment to specific positions.

The availability of training opportunities for IRR members is also an essential part of pretrained management. Training is a good way to insure that individual Reservists will be useful in a mobilization. IRR members may volunteer for training with active or reserve units or may attend professional development and refresher training schools. In addition, IRR members may enroll in correspondence courses. We expect that the number of individuals who volunteer for training will increase with more intensive management. Therefore, more training resources will be needed in the future.

AFEES AUGMENTATION

We have recently formed 67 Joint Augmentation Units (JAU's) one for each of our 67 Armed Forces Entrance and Examining Stations (AFEES). It will be necessary to augment each AFEES substantially to take care of the additional workload which occurs when the standby draft is activated during a mobilization. In response to this need, we decided to form augmentation units of preassigned retired personnel to provide the necessary surge capability. These units became operational on 1 January 1981. Approximately 3,000 retired doctors, nurses, medical technicians, and administrators have volunteered for mobilization duty at the AFEES and have been assigned to JAUs. We plan to have all 5,500 of these spaces filled by 31 March 1981.

GOAL 4: TO IMPROVE READY RESERVE TRAINING

Training must receive constant attention because it is a significant factor in producing effective combat units and will conserve lives on future battlefields. Training of the Reserve Components is a difficult task. It involves complex requirements, sophisticated equipment, and severe training time limitations. This requires precise planning and thorough coordination. We plan to meet our fourth objective—improvement of Ready Reserve training—through two specific programs:

—Training management program.

—Full-time support program.

TRAINING MANAGEMENT

Last year, we introduced management concepts and philosophy that would emphasize the entire Ready Reserve and not just the Selected Reserve. This led to identifying trained strengths in Selected Reserve units, pretrained individual reservists (who would be used as augmentees, fillers and replacements), and a training pipeline (who require additional training prior to becoming effective manpower assets). These categories provide a better understanding of mobilization capabilities and provide a framework for determining unit fill requirements. It also allows us to identify training requirements and personnel needed immediately on mobilization. We have also directed that active component personnel who provide support to Selected Reserve units and will mobilize with the units they support be included in appropriate strengths. These new management concepts are now in the process of being incorporated into our training directives.

Time available to train members of Selected Reserve units is generally limited to 39 days per year. Thus limited training time, in conjunction with shorter deployment times and more complex equipment, make it difficult for the Army Guard and Reserve to meet desired training states. Scheduled training activities also compete with other demands on Reserve Component personnel, particularly by their families and their employers. Therefore, time management and flexible scheduling of unit training are major elements in the training process. To achieve maximum effective use of the time and resources available, we need more flexibility in scheduling training, more additional training assemblies, and more full-time support at the unit level.

Under current law all elements of National Guard units must participate in a training assembly within a period of 30 consecutive days. This provision restricts flexibility in scheduling training. It forces some people to miss excellent training opportunities and it makes it difficult for intermediate commanders and staffs to supervise training execution properly. Extending the period to 90 consecutive days would improve the ability of unit commanders to manage their training programs.

Our policies now provide for, and Congress has supported, additional training assemblies to allow unit officer and non-commissioned officers to prepare for unit training assemblies. These assemblies are important to effective training management and provide needed flexibility. We want to broaden their use and increase the number of assemblies available to unit commanders. Most commanders and many key unit members spend extra time on administration, management, logistics and maintenance in order to have a ready unit. They are not always compensated for their time, travel, or other expenses in the performance of these necessary duties.

We would like to expand and redefine the purpose of additional training assemblies to permit their use for administration, management, and maintenance in addition to training preparation. We ask your support for an increase, where needed, in the number of these assemblies. Although full-time support personnel perform most of the functions required for the day-to-day existence of a Selected Reserve Unit, they are not the total answer to meet all requirements. Drilling reservists also must be involved frequently in most functional areas of unit management.

FULL-TIME SUPPORT

On December 30, 1980, we sent this committee the DOD report on the Congressionally directed "Test Conversion of Civilian Technicians." Since that report is a comprehensive document, I do not intend to repeat here the background and details of the Full-time Support program. However, I urge the Congress to make an early decision on the mix of active duty military personnel and military technicians to provide the required full-time support. We recommended that the mix of full-time military personnel and military technicians in our fiscal year 1982 budget be approved. DoD believes that both military technicians and full-time Guardsmen and Reservists are useful in the Full-time Support program. We want to evaluate the effectiveness of all facets of the Full-time Support program before making any dramatic changes. We would like to be able to change the size and shape of the full-time support force to meet our demands as we determine them. The strengths, mix, and utilization of the various forms of full-time support will be addressed in an organized way through our annual budget requests.

NAVY TRAINING AND ADMINISTRATION OF RESERVES (TAR) PROGRAM

Responding to Senate Armed Service Committee and to the Appropriations Committee direction, the Navy Training and Administration of Reserves (TAR) manpower is programed as part of the reserve manpower authorization beginning in fiscal year 1983. The need for orderly development of an accounting system for the transfer of the pay of TAR personnel to Reserve Personnel, Navy will not allow this transfer to take place prior to fiscal year 1983. The Navy will include recommendations regarding this transfer in its report on a new convoy escort program which is due to the Appropriations Committees by April 1, 1981. The total transfer from the active component to the reserve authorization is 12,023 personnel for end fiscal year 1983.

GOAL 5: IMPROVE READY RESERVE RESOURCE MANAGEMENT

The resources we are requesting for the Reserve Components are modest and contain no frills. Our programs to improve Ready Reserve resource management are in three categories:

(1) Unit Equipment Program
(2) Facilities Program
(3) Management Improvement Program

UNIT EQUIPMENT PROGRAM

Our objective is for all Selected Reserve units to have full wartime sets of combat serviceable equipment on hand prior to initiating wartime operations after mobilization. The first step is to insure that all Selected Reserve Units have in their custody, or readily available for their use, sufficient equipment to conduct unit training and meet desired readiness requirements. The next step is to assure that early deploying units have full wartime equipment sets on hand so that they can deploy without having to draw additional equipment after mobilization. Ultimately, we want to equip fully all of our units.

FACILITIES PROGRAM

We are well aware of the importance of adequate, modern, and well kept armories, reserve centers and training facilities to the readiness of reserve units and personnel. Good facilities are essential for the proper training, operation, support (including troop housing and messing), and equipment maintenance of the Guard and Reserve Components. In this regard we are working closely with other OSD offices and the Reserve Components to insure construction funds are utilized for facilities that will provide for the quality and quantity of training necessary to achieve desired mobilization readiness. We realize also that good maintenance of existing facilities while necessary new facilities are being constructed has a positive effect on unit leadership, retention of personnel, training results, unit and community pride, and resultant readiness. We intend to review policies and programs that pertain to facilities maintenance and strive to establish improved guidance where needed that will result in the continued good maintenance of these reserve facilities.

MANAGEMENT IMPROVEMENT PROGRAM

We are creating new policies and programs to assure more efficient and effective utilization of Guard and Reserve resources, particularly in the event of a mobilization. The recently enacted legislation that deleted the 30 day Alert Provision of 10 USC 672(e) and the increase of the Presidential call-up authority from 50,000 to 100,000 Selected Reservists has been of significant benefit to us in establishing good mobilization policies. Our new reporting policy requires that members of the Ready Reserve be available, and report for active duty, with 24 hours of notification to report as a result of a mobilization, unless a different reporting time is specified by competent Military Department authority. We are working on ways to decrease the administrative time required to process members to active duty. We are understanding better and describing better the mobilization process for Ready Reserve units and individuals. Under the Total Force Policy, the Active Components and Reserve Components are highly interdependent and complement each other. We are concentrating on actions that will help to assure Guard and Reserve units and individuals will be available for national defense in periods of rising tension, are mission capable at the onset of a mobilization, and can be rapidly and effectively integrated with the Active Components.

THE RESERVE COMPONENTS LEGISLATIVE PROGRAM FOR 1981

The Department of Defense has a legislative program of ten items pertaining to the National Guard and Reserve Components which are currently being coordinated prior to being submitted to the 97th Congress during 1981 as part of the legislative program of the administration. Additional items under consideration for inclusion in the program are in various stages of coordination. The items which will be most important in our view are:

1. *DoD 97–46* would permit the promotion on active duty of Army Reserve Component commissioned officers who are selected for permanent promotion in their Reserve grades while serving on active duty. Under existing law, the Army Reserve Component officer on active duty (other than for training) who is promoted may not serve in that higher grade while on active duty. The other Services are not affected by such a restriction.
2. *DoD 97–47* would give the Army and Air Force the authority to appoint physicians with at least four years of experience as Reserve officers in the initial pay grade of O–3. Enactment of this item would help alleviate the physician shortage in the Ready Reserve.
3. *DoD 97–49* would permit the appointment of non-citizen medical and dental officers in the National Guard. Current regulations allow the appointment of certain, fully qualified, non-citizen physicians and detentists to Reserve Commissions in the Army, Navy and Air Force. This item would allow the National Guard to do the same and would improve the ability of the National Guard to obtain physicians and dentists.
4. *DoD 97–55* would authorize the Secretaries of the Army and Air Force, with the approval of the Secretary of Defense, to prescribe such regulations governing National Guard technicians in the performance of their technician duties as the Secretaries concerned may determine to be necessary for the discipline, morale, combat readiness or efficiency of the National Guard.

5. *DoD 97–59* would eliminate the requirement that thirty days notice of termination be given a National Guard technician who serves under temporary appointment, or who voluntarily ceases to be a National Guard member.

6. *DoD 97–60* allows a 270 day delay (vice 180) between the time a Reservist is recruited and the time he reports for initial active duty for training (IADT). It also changes the required length of IADT to 12 weeks or equivalent.

7. *DoD 97–68* would provide flexibility in the manner of fulfilling the Military Service obligation incurred by members of the Armed Forces Health Professions Scholarship Program by introducing the alternative of Reserve obligation as a means of fulfilling part or all of the obligation incurred by program participants.

8. *DoD 97–70* would extend indefinitely the legal authority for three Selected Reserve Recruiting and Retention Incentive Programs. These include the enlistment and reenlistment bonuses and the educational assistance for enlistment.

9. *DoD 97–71* would correct an inequity that exists between national Guard technicians and other Federal employees by providing for the payment of any accrued compensatory time to the survivors of a technician upon his death.

10. *DoD 97–72* would provide annual premium pay to National Guard technicians who perform duties related to tactical or strategic missions.

RESERVE OFFICER MANAGEMENT

The passage of a new Defense Officer Personnel Management Act (DOPMA) in 1980 clears the way for reform of the laws governing the management of Ready Reserve officers. A task force has been formed in DoD to do this. We plan to propose for your consideration a new Reserve Officer Personnel Management Act (ROPMA) to be ready by the end of the first session of the 97th Congress, so it can be addressed during the second session.

In conclusion, Mr. Chairman, I want to express my appreciation for the support of this committee in particular and of the Congress in general.

Your support, and often your initiatives, have enabled the Reserve Components during FY 1980 and thus far in FY 1981 to make significant gains in strength and readiness. The Air National Guard and Air Force Reserve are today up to strength, well equipped, and ready to go. The Naval Reserve is at its authorized strength and is capable of accomplishing its assigned missions. The Marine Corps Reserve is well trained, increasing in strength, and is ready. The Army National Guard and Army Reserve have increased in strength and are today far better able to accomplish their wartime missions than at anytime in the past six years. More remains to be accomplished. The Army Guard and Reserve must increase still more in strength, and more equipment needs to be made available to the Army Guard and Reserve. We believe the necessary improvements can be made. The budget we are requesting for the Guard and Reserve in FY 1982 allows us to continue our progress and accelerate it. Enactment of the legislative proposals accompanying the budget will make it easier for us to manage the Guard and Reserve well. We ask that you continue to support us this year as you have in the past, as we work together to assure that the Guard and Reserve can accomplish their mission if necessary.

Senator JEPSEN. We will now proceed to questions. In subcommittee I will follow the procedure of the questions in the order of the member's attendance.

RECRUITING HIGH SCHOOL DIPLOMA GRADUATES

Just to start, and, first of all, to get some orientation and something that doesn't quite come together, on page 4, Mr. Stone, of your statement, you indicated "Each of the services recruited more high school diploma graduates in fiscal year 1980 than were recruited in fiscal year 1979." Then we go to page 10, figure 3, where you have your graphs and it shows that high school diploma graduates were 67 percent for the Army in 1964 and 49 percent in 1980. In addition, the Navy figures are 76 percent in 1979 and 73 percent in 1980. The percentages given for all the services say 70 percent high school graduates in 1979 and 65 percent in 1980. This may be academic and mechanical but it does not add up.

Mr. STONE. Mr. Chairman, what that chart shows is the percentage of high school diploma graduates, the percentage of our recruits that had high school diplomas. In 1980 we recruited a lot more people than we had in 1979. While we were doing that we recruited a few more, relatively, high school graduates so the greater number of high school graduates represented still a smaller proportion of the total recruits.

Senator JEPSEN. According to figures we had you recruited some 36,000 additional people in 1980, 33,000 of these folks were non-high school graduates. Working from your figures on pages 4 and 10 we find that in fiscal year 1980 the Army obtained 4,700 fewer high school diploma graduates among accessions than they had in fiscal year 1979. Additionally, fiscal year 1980 saw 35,700 more accessions without high school diplomas. This of course appeared against a backdrop of an increase of 31,000 in total Army accessions between fiscal years 1979 and 1980.

In short the increase in Army accessions was apparently accomplished only through the increased recruitment of those without high school diplomas according to these figures.

Mr. STONE. For the most part that is true, Senator Jepsen. My figures show about 29,000 more accessions, more nonprior service accessions for the Army in fiscal year 1980 than in fiscal year 1979. They recruited about 3,000 more high school graduates and 26,000 more nongraduates.

Senator JEPSEN. So the statement that each of the services recruited more high school diploma graduates in 1980 than in 1979 is not correct, or is it?

Mr. STONE. They recruited a greater number but a smaller percentage.

Senator JEPSEN. I am not going to belabor it. I am just trying to get the basis to make sure we don't misunderstand because of the statements you made which indicated that each of the services recruited more high school graduates in 1980 than were recruited in 1979. I think you indicated that is not correct.

Mr. STONE. If I may, I would like to prepare a simple summary table for the record that will clear that up.

[The information follows:]

ARMY NONPRIOR ACCESSIONS

	Fiscal year 1979		Fiscal year 1980		Change, fiscal year 1979 to 1980
	Number	Percent	Number	Percent	Number
HSDG[1]	82, 800	64	85, 800	54	+3, 000
Non-HSDG	46, 560	36	72, 400	46	+25, 900
Total	129, 300	100	158, 200	100	+28, 900

[1] HSDG = High school diploma graduates.

Senator JEPSEN. Senator Byrd?

Senator BYRD. Do I understand you correctly in replying to Senator Jepsen that this ratio of 20 to 1 of the new recruits, a thousand of those were high school graduates and 20,000 not high school graduates, those are over and above the number you had heretofore? Is that correct?

Mr. STONE. That is correct, Senator Byrd.

Senator BYRD. So we have a ratio of 20 to 1 of nonhigh school graduates to high school graduates of the figure above what you recruited the year before?

Mr. STONE. Senator, the way I would look at it in fiscal year 1979 the Army took about 64 percent of its recruits who were high school graduates and in fiscal year 1980 just about 54 percent.

Senator BYRD. What I am getting at and what I think Senator Jepsen has very well brought out is that of the additional people you brought into the Army over and above what you brought in the year before there was a ratio of 20-to-1 non-high-school graduates.

Mr. STONE. Yes, sir, they were almost all nongraduates; that is correct.

Senator BYRD. Now let me ask you this. The Army recruits for the original enlistment for both a 4-year period and 3-year period?

Mr. STONE. Yes, sir. Most of the recruits enlist for 3 or 4 years, Senator. They do have a limited number of 2-year recruits as well.

Senator BYRD. Do most of them enlist for 4 years or 3 years?

Mr. STONE. Three years, Senator.

Senator BYRD. Most of them enlist for 3 years?

Mr. STONE. Yes, sir.

Senator BYRD. If you go back to 1977, can you give me this figure? Of each 100 persons who were enlisted in the Army in 1977 how many of that 100 persons reenlisted in 1980 when their 3-year period expired?

Mr. STONE. I do not have that figure at hand, Senator. I will be glad to supply it for the record if that is all right.

Senator BYRD. Thank you.

[The information follows:]

REENLISTMENTS

Of 100 soldiers who enlisted in the Army for a 3-year period in fiscal year 1977, 24 remained in the Service at the end of fiscal year 1980 either through extension of their initial enlistment period or through reenlistment.

Senator BYRD. Do you have the figure for 1976, of those who were recruited in 1976 how many reenlisted, how many of each 100 reenlisted in 1979 when their 3-year enlisted period expired?

Mr. STONE. I will have to supply that for the record.

[The information follows:]

REENLISTMENTS

At the end of fiscal year 1980, 17 of each 100 recruits who enlisted for a 3-year period in the Army during fiscal year 1976 remained in Service either through extension of their initial enlistment period or through reenlistment.

ENLISTMENT BONUS PROGRAM

Senator BYRD. On page 8 of your statement you state the enlistment bonus program, especially in the Army, must broaden the range of skills eligible for bonuses. You are speaking now of the enlistment bonus?

Mr. STONE. Yes, sir.

Senator BYRD. Not the reenlistment but the enlistment bonus?

Mr. STONE. Yes, sir.

Senator BYRD. How many skills or how many MOS's are eligible for enlistment bonuses at the present time in the Army?

Mr. STONE. I don't have that precise number, Senator Byrd. We can supply that to you.

[The information follows:]

ENLISTMENT BONUS

Enlistment bonuses are currently paid in 46 Military Occupational Specialties (MOSs) in the Army.

Senator BYRD. My recollection is about 31 or 32 or 33. You want to broaden beyond that if I understand correctly?

Mr. STONE. Yes, sir. We would like to be able to pay bonuses to high scoring——

Senator BYRD. That is something else. You say here "Broadening the range of skills eligible for bonuses." That is before they get into the high scoring area?

Mr. STONE. Yes, sir. We propose to pay bonuses to people who have high school diplomas and who score high on the aptitude test and enter into more skills than are eligible for bonus payments.

Senator BYRD. I am not clear on that. Let me read the sentence:

> The enlistment bonus program, especially in the Army, must be made more flexible by increasing maximum payment levels, broadening the range of skills eligible for bonuses, and enabling bonuses to be paid to three year high scoring enlistees.

I am speaking of the second one there, broadening the range of skills eligible for bonuses.

Mr. STONE. I don't know the precise number but let me use your No. 31 as an example. Let us say bonuses today can be paid to people entering 31 skills. We would like to expand the number of skills eligible and pay them perhaps to people entering 40 skills or 45 skills provided we can get people who score high on the aptitude test and who have high school diplomas.

Senator BYRD. That is prior to entering the service; is that right?

Mr. STONE. Yes.

Senator BYRD. What is No. 3 here, "Enable bonuses to be paid to 3-year high-scoring enlistees."

Mr. STONE. Today we can only pay bonuses to people who enlist for 4 years or more. We would like to be able to pay bonuses in the future to people who enlist for a 3-year term as well as for a 4-year term.

Senator BYRD. You are significantly broadening the enlistment bonus program?

Mr. STONE. Yes, sir, Senator, I believe we are going to have to do that if we are going to get higher scoring, better educated people into the Armed Forces in the numbers we need.

Senator BYRD. You propose to increase the maximum payment levels. What do you have in mind in that regard?

Mr. MARTIN. Sir, we would like to gain more flexibility than we currently have.

Senator **Byrd**. You are asking for an increase in the maximum payment level. What level do you want to go to?

Mr. **Martin**. We will request legislation authorizing us to go to as high as $10,000.

Senator **Byrd**. For a recruit?

Mr. **Martin**. Yes, sir.

Senator **Byrd**. You will pay a recruit $10,000 to sign up?

Mr. **Martin**. The intent is to give us the ability to pay more for the high scoring high school diploma graduate recruit. We would not necessarily pay that amount to a large number of skills or recruits.

Senator **Byrd**. They don't have any skills until they get into the Army, do they?

Mr. **Martin**. For the particular military skill into which we are trying to attract the higher quality youngster, we would like to have more flexibility to be able to raise the payment levels. We don't anticipate paying the maximum level to many skills or to large numbers of people. We would like to have that flexibility for the most difficult skills to recruit for.

Senator **Byrd**. Which skills are those?

Mr. **Martin**. Currently, sir, it would be the ones that require the longest term of enlistment and are the least attractive to youngsters such as combat arms or combat-related skills.

Senator **Byrd**. So that anybody going into combat arms, and that is the primary purpose of having an Army, I assume, is to get combat personnel, anyone going into that part of the Army, and hopefully most of them would be eligible for that, you propose to pay them up to $10,000 to enlist?

Mr. **Martin**. I don't think we would immediately go to a $10,000 payment for any skill. We would like to be able to move to that in order to recruit for particularly difficult military specialities. It may only be for one or two skills that a bonus of that magnitude would be authorized. The notion of the more flexible bonus program, with respect to the Army, is designed to in effect increase the relative competitiveness of the Army in terms of attracting the kinds of high scoring high school diploma graduates that we are all interested in attracting.

Senator **Byrd**. What is the recruit's first year pay now?

Mr. **Martin**. His base pay per month is approximately $500.

Senator **Byrd**. Of course he gets his room and board and what else?

Mr. **Martin**. And his medical benefits.

Senator **Byrd**. What would be the normal bonus you would propose to pay?

Mr. **Martin**. If the total amount of flexibility were employed, Senator, I would guess that the average bonus would certainly be under $5,000.

Senator **Byrd**. You go into a community or farming area or my home city, wherever you want to go, and recruit somebody and you pay him $500 a month and then you would pay him $5,000 to sign up, is that it?

Mr. **Martin**. If he met the requirements for the skill, yes, sir.

Senator **Byrd**. What percentage of your recruits have been receiving an enlistment bonus?

Mr. **Martin**. I would have to supply that for the record.

[The information follows:]

ENLISTMENT BONUS

The approximate percentage of enlistees in each Service who received an enlistment bonus in fiscal year 1980 is: Army, 10%; Navy, 2%; Marine Corps, 5%; Air Force, 0% (No enlistment bonuses were paid in fiscal year 1980; less than 1% will receive a bonus in fiscal year 1981.)

Senator BYRD. Mr. Stone mentioned the 20,000 Army recruits over and above the number which were recruited the year before. I think that is the figure he used. How many of those 20,000 received bonuses, do you know?

Mr. MARTIN. We would have to supply that for the record.

[The information follows:]

ENLISTMENT BONUS

In round numbers, the Army recruited 85,800 high school diploma graduates in fiscal year 1980 which is 3,000 more than the 82,800 recruited in fiscal year 1979. In fiscal year 1980, 14,858 or 17.3 percent received enlistment bonuses compared to 14,707 or 17.8 percent in fiscal year 1979. Enlistment bonuses are paid only to high school diploma graduates in test categories I–III who enlist for 4 or more years.

Mr. STONE. Excuse me, Senator Byrd. The ones who are high school dropouts, none of them received enlistment bonuses. We don't pay enlistment bonuses to people without high school diplomas.

Senator BYRD. So that one requirement to get an enlistment bonus is to be a high school graduate?

Mr. STONE. Yes, sir.

Senator BYRD. You pay a man $5,000 just to sign up and when does he get that $5,000?

Mr. STONE. When he has completed training, typically 4 months later.

Senator BYRD. Does he get one check for $5,000?

Mr. STONE. Yes.

Senator BYRD. An 18-year-old guy recruited from the farming areas of a community somewhere in the United States, the Army says to him, "You sign up for the Army now and we will give you 4 months training. At the end of that 4 months training we will give you a check for $5,000."

Is that the way it works?

Mr. STONE. Yes; Senator.

Senator BYRD. Suppose he does not complete his 4-year enlistment, what happens to the $5,000? It is gone, there is no way of getting it back.

RECOUPMENT PROCEDURES

Mr. STONE. We have recoupment procedures.

Senator BYRD. Will you supply for the record how much money you have gotten back?

Mr. STONE. Surely.

[The information follows:]

BONUS RECOUPMENT

Over the past 6 years (fiscal years 1975–1980), the Army has paid enlistment bonuses totaling $243.0M. Of this total amount paid out, $11.7M or 5 percent to date has been designated as recoupable and $1.4M or 12 percent was recouped at the time the members were discharged.

Senator **Byrd**. What are you going to do if the guy spends the money? Put him in jail?

Mr. **Stone**. I will provide that for the record, Senator. I don't know if we put them in jail or not.

[The information follows:]

Bonus Recoupment

No, we do not put them in jail. An enlistment bonus is recoupable when the recipient voluntarily or because of misconduct fails to complete the enlistment for which the bonsus was paid. Since an unearned bonus is not an indebtedness until the solider is actually separated, the funds available for collection at separation are generally limited to the pay and allowances which have accrued to the soldier since the last regular mid-month or end of month pay period. Often there is no pay due to the soldier from which recoupment may be made. When the funds available for collection are insufficient, an indebtedness account is established and collection procedures are initiated. The Finance Officer at the separation point notifies the soldier in writing of the type and amount of the indebtedness and of the repayment procedures. The letter is delivered to the member and a copy is acknowledged in writing by him. That copy of the letter, with supporting documents, is forwarded to the U.S. Army Finance and Accounting Center (USAFAC) for record and follow-up action. A second notice is mailed by USAFAC to the former service member if he does not respond within 30 days after the receipt of the initial letter. This first follow-up notice requests full payment and states that repayment may be made by installments, if one full payment cannot be made. A financial status affidavit is also requested. If there is no response to this notice within 30 days, a final notice is sent. This notice requests a financial status affidavit for preparation of an offer of a compromise settlement based on ability to repay (under Public Law 89–508). When no response is received to the final notice within 30 days, USAFAC will declare the indebtedness uncollectible and will either hold for subsequent inservice collection action should the former member return to the miiltary service, or will forward it to the Department of Justice for subsequent action.

Senator **Byrd**. I must say I have never been very enthusiastic about the enlistment bonuses. I differentiate it from the reenlistment bonus. Obviously you can attract people temporarily if you say "Instead of giving you $5,000 at the end of 4 months we will give you $10,000." That seems to me to be a pretty generous program and I am not sure a very realistic one. Now the maximum bonus was increased from $3,000 to $5,000 starting in September, as I understand it. Are you prepared to say that this increase is working before dumping the amount offered less than 6 months ago? In other words, 6 months ago the Congress increased the enlistment bonus from $3,000 to $5,000. Now we come along in February and want to double that $5,000.

Mr. **Stone**. Senator, I think the enlistment bonus is working but we are recognizing that the job that the Army has to do is harder than we thought it was a year ago. A year ago we thought that we were getting a very large percentage of our recruits scoring above average on our aptitude tests and we found out that was wrong. In the Army roughly 50 percent of the recruits were scoring in the Category IV, below average, on the aptitude test. We believe that we have to do a better job of recruiting high aptitude young people with high school diplomas. We have to do more work. It is a harder job in 1982 than it was in 1980 or 1979.

Senator **Byrd**. We are talking about just last September now. The enlistment bonus was increased from $3,000 to $5,000. Now less than 6 months later you want to increase it from $5,000 to $10,000.

Mr. STONE. Yes, sir.

Senator BYRD. Stop me when my time has expired. I have more questions.

Senator JEPSEN. You are really going good. It is very interesting.

Senator BYRD. Let me get into the recruiting for a moment. On page 8 you give the cost of recruiting in fiscal year1982 as $940 million up from $812 million in 1981, and up from $663 million in 1980. What is the total for fiscal year 1979 and fiscal year 1978?

Mr. STONE. I will try to get those for you.

Mr. MARTIN. What year is that?

Mr. STONE. 1979 and 1978.

Senator BYRD. The second question, while you are looking that up: Do these figures include the cost of the active duty personnel who are assigned to recruiting?

Mr. STONE. Yes, they do, Senator Byrd.

Senator BYRD. Do these figures include travel involved in recruiting?

Mr. STONE. Yes. They include the expenses of the recruiters, the people who do the recruiting.

Senator BYRD. Do these figures include expendable supplies?

Mr. STONE. Yes, sir, they do.

Senator BYRD. Have you been able to get those figures for 1979 and 1978?

Mr. MARTIN. Total recruiting cost for fiscal year 1978 in fiscal year 1978 dollars was $473.6 million. That is enlistment, recruiting cost. In fiscal year 1979 that number was $517.5.

Senator BYRD. So the recruitment cost has gone up. In fiscal year 1978 it was 473 and in 1982 it is 940. Now do these figures include the civilian support staff?

Mr. MARTIN. Yes, sir, they do.

Senator BYRD. Thank you. I have other questions but I have taken enough time. I will submit additional questions, if I may, Mr. Chairman, to be answered for the record.

Senator JEPSEN. Without objection it is so ordered.

Senator Denton?

Senator DENTON. Thank you, Mr. Chairman.

ALL VOLUNTEER FORCE

Secretary Stone, I have continuing anxieties about the workability of the Volunteer Force concept in spite of convincing testimony from the Joint Chiefs and others to the effect that it deserves further trial. I am convinced and willing to vote for such a move. However, I retain anxieties because it has been tried for some number of years. Having been the Commandant of an institution which had this rather openly discussed as the Secretaries of the Services came through and the Chiefs of Staff of the Services came through, I am aware that underneath the walking of the tightrope of loyalty to what the Commander in Chief wants, and that which might be feasible, is a pretty fine line.

I still have anxieties about that, especially when I think of the kind of questions and answers that Senator Byrd just elicited.

AVAILABILITY OF NATIONAL GUARD AND RESERVE FORCE

I also have an anxiety about the availability of National Guard and Reserve forces in time of crisis, rising tensions, let us say, or even in times of combat, as large scale as Vietnam was. It is my belief that the Reserve forces were probably abused in the sense of overemphasis for service in combat in the Korean experience and perhaps were underutilized for one reason or another during the Vietnamese conflict. I would first want to know if you wish to respond in general to those two concerns:

One, the continuing trial as it were to make the volunteer situation work rather than have some form of UMT or draft and, two, the availability of National Guard/Reserve forces in times of actual combat, short of an all-out nuclear exchange at which time their availability might become somewhat moot?

Mr. STONE. I will try, Senator Denton.

The Volunteer Force, our policy is volunteerism. We have a lot of problems with military manpower, military personnel. Some of them deriving from the volunteer policy. Many of them as nearly as we can tell completely unrelated to it. The problems of retention of terribly valuable senior enlisted people doesn't have anything to do with how we got people in at the beginning. As I said in my testimony, the career force has always been an all-volunteer force. We have some problems with the Volunteer Force that are the result of the volunteerism. For example, when we have recruiting shortfalls—we wouldn't have recruiting shortfalls if there were a draft or at least we wouldn't have big ones and we wouldn't worry about recruiting shortfalls. Right now we are trying to figure out how we can man the force in 1982.

We have a big problem ahead of us. If we had a draft we wouldn't have to worry about that. It would be relatively easy. On the other hand, in sorting through these problems we know very well the problems of the Volunteer Force. I see them in the Pentagon. I see them when I visit a unit or a training unit and so do you. We don't know the problems of the draft. We don't have to live with them. There are days when the volunteer problems seem tough and we say "Gee, maybe a draft would be easier." I suspect though, Senator, that if we were living with the problems of the draft, it wouldn't seem to be the panacea. We can't be positive about the future, what 1986 will bring or even 1983, but our policy is volunteerism, and I believe for now, and at least for a while we have a good chance of making it function.

As far as mobilizing the Guard and Reserve, I agree with what you say about Vietnam and Korea. We underutilized them in Vietnam. Today if we underutilized them we would be in big trouble. Our war plans depend on our using the Guard and Reserve. Our plans won't work if we don't use the Reserves.

So, I think that in the future there is a recognition that we would have to use them to a much greater extent than we did in Vietnam.

Senator DENTON. Thank you, sir.

DECLARING NATIONAL EMERGENCY

In Europe obviously we would be in a sort of a fat-in-the-fire condition, and also in Southwest Asia with respect to the oil. But what bothers me is something a little less obvious than that, in which case the declaring of a national emergency would again be, for one reason or another, and I do not fully understand this politically or technically, infeasible or unpalatable. Can you comment on anything that has been done to make it easier in the technical or political sense to declare a national emergency, to match the situation such as Vietnam, in which case our immediate national interests were not perceived to be that directly challenged?

Mr. Stone. The President has the authority to call up members of the Selected Reserve in the absence of a national emergency. He has never made such a callup under this authority. It is a fairly new authority.

Senator Denton. How new is that?

Mr. Brinkerhoff. It was passed initially 4 years ago for 50,000 authority and last year the authority was increased to 100,000.

Senator Denton. Without a national emergency and without action of Congress?

Mr. Brinkerhoff. Yes.

Senator Denton. That was 4 years ago? That might constitute the main thing that has been done, is that right? It has just never been used?

Mr. Stone. That is right.

Senator Denton. Mr. Brinkerhoff, would you say that this provision would make it so much more easier to do, that it is no longer a major consideration?

There is a lot of money involved I understand. There is insurance, there are all kinds of things that used to relate to private industry, you know, when you declare a national emergency. Does this authority circumscribe that problem or not?

Mr. Brinkerhoff. The authority allows the President to call 100,000 for a period of 90 days. The authority would allow the President to take certain steps that might be necessary in calling up certain groups of reservists. The 90-day period would also require the President to do something other than that with respect to either a national emergency or some other action to prolong the period of active duty.

Senator Denton. Is there anything that says that he could not, by Executive order, extend the 90 days?

Mr. Brinkerhoff. The law does not permit that. He has to do something else.

UNIVERSAL MILITARY TRAINING

Senator Denton. I ask this of each of you. Do you all feel that universal military training may have had its psychological time arrive as a feasible, floatable, political policy and certainly may have had its time arrive in terms of need? I think of it not only as a signal to our erstwhile enemies, those who would move on us if they don't see such a signal, but I see it in terms of real readiness. Would you comment on that?

Mr. STONE. Senator Denton, from the standpoint of the Department of Defense and the existing and forseeable force structure of the Armed Forces, universal military training would not be of much use to us. It delivers an enormous number of people that the Armed Forces could have no conceivable need for in the absence of unimaginable increases in spending. We just wouldn't have trucks or tanks or planes or ships or guns for these people to man. We take into the Armed Forces about 350,000 people every year. Each year there are about 2 million young men turning 18, another 2 million young women. We just couldn't imagine using 4 million or even 2 million of these people.

The act of training them would be an enormously expensive burden on the trained military people that we have.

Senator DENTON. Excuse me, sir. You don't have to develop that further. The fact that you have a universal military training authorization does not mean that you would have to take all of the people. You would be getting around such needs as $10,000 bonuses for people in certain skills, and it would be understood by the population level of young men that it was a universal obligation to serve, if called.

Such a situation existed in the early days of World War II. Everyone was in some kind of program. I admit it was not necessarily UMT, but you were in some kind of program. You joined up. You were put in V–1, V–12, V–something. It was something of a "don't call us, we will call you." If they thought you should continue in school they allowed you to continue and they called you up when they wanted to. I just feel that the time has come when our youth know that there is a need, that the Government is in a position to do something about universal military training. I offer this as a suggestion for comment: Universal military training authorization would be truly selective, and young men would respond.

I believe there is a need and I believe that the signal would be a respected signal on the part of the Soviet Union and others. So I don't see why you would have to take them all and have an insurmountable manpower use problem.

MANNING THE FORCES WITH A DRAFT

Mr. STONE. Senator Denton, speaking from the standpoint of a technician in Defense manpower, I would say that if there were a draft we could man the forces with it. There is a very big political issue regarding whether there should be a draft and, if so, what kind of draft it should be. We haven't addressed those questions in detail. Let me just mention one issue with the draft which has stumped many people. That is, whom do we draft? In the early 1950's at the beginning of the Korean war the youth population was half what it is today. It was a million people a year and the Armed Forces took 600,000. That is 60 percent. Today there are 2 million young men turning 18 and about 350,000 enlist. Assuming we would still have 300,000 enlistees or 250,000 enlistees, we would have to draft 50,000 or 100,000 people out of 2 million young people.

Now whom would you draft? And how would you do that in a way that would be accepted as fair by the American people?

That is not a question I am prepared to answer but it is a serious political question and in my judgment one of the reasons to be very cautious about recommending a draft.

Senator DENTON. I assume my time is up. Thank you, Mr. Chairman. Thank you, sir.

Senator JEPSEN. Senator Exon?

QUALITY OF RECRUITS

Senator EXON. Gentlemen, I would like to get down to this matter of qualifications to see if I understand what you are saying. Let me start out by asking you, Mr. Stone, you are no doubt familiar with the efforts which were made in the Senate last year to bring the quality of recruits in the Army up to standards based on what the Armed Services Committee did with the Marine Corps several years ago. You also know that that effort failed on the floor of the Senate. How did you feel about that? Do you feel that was a good move? Are you familiar with what I am saying?

Mr. STONE. Yes, I sure am. Senator Exon. I think the constraints that were legislated on Army recruiting last year were not a good thing for the Armed Forces. I think they may bar from enlistment people who are capable of being good soldiers at a time when the Army could be short of trained people.

Senator EXON. Mr. Brinkerhoff, do you agree?

Mr. BRINKERHOFF. Yes, sir. We are interested in quality in the Guard and Reserve. Again as with the active it is primarily an Army problem but we would welcome the flexibility. In the Guard and Reserve where through community contacts and the hometown recruiting it is so often much easier to predict in advance whether a young man will succeed in an organization composed of his friends and neighbors as compared to active service where he is among strangers.

Senator EXON. In the third quarter, if I remember correctly, Army recruits showed some 60 percent without high school diplomas and I think 39 or 40 percent from minority groups. Do you think that is an acceptable pattern?

RECRUITING PATTERNS NOT GOOD

Mr. STONE. No, sir, I think the Army's recruiting patterns in 1979 and 1980 were not good. I think they were not acceptable. But I think the answer is not to legislate a formula which may keep the Army from recruiting people who are capable of being good soldiers. I think the answer is to encourage the Army to recruit even better qualified people, to pay the costs both in money and management to fix the problem.

Senator EXON. Mr. Brinkerhoff, do you have any comment?

Mr. BRINKERHOFF. We believe the Army National Guard is producing a force of acceptable quality. We are concerned about the Army Reserve and we are looking into it. As strength increases, as it has been, it will become much easier to do the kind of screening and selectivity that will increase at the same time the quality.

Senator EXON. You both know then what happened several years ago when the Marine Corps objected very strenuously when they were dictated to by law as to what they could accept as recruits. You know that either because of that action or in spite of it the Marine Corps recruiting improved and now the Marine Corps tells us we did the right thing. The first question is do you think the congressional action at that time dictating to the Marines was responsible or was it an accident that they brought the quality of their recruits up and, if so, why wouldn't it work for the other services if we had no other alternative?

Mr. STONE. The Marines have been able to recruit the people they need, keeping a minimum of 75 percent high school graduates, and I think that is good. All our data and all our experience and anecdotes we hear say that young people with high school diplomas are better bets to be successful than the people who have dropped out of high school. All other things being equal, we are better off recruiting people with high school diplomas. We see that to the extent that we believe that we ought to go out and try to pay enlistment bonuses to people who have good aptitude scores and who have high school diplomas. But there are two things pressing on us.

RECRUITING BECOMING MORE SELECTIVE

One is the requirement to get good soldiers in the Army and the other is the requirement to keep the Army units up to strength and ready. I think we have to do both these things. The one story that I get from drill sergeants and trainers that I speak to, the consistent thread is that if a young person wants to be successful in the Army he can be successful in the Army. A lot of people who score at the 30th percentile or below on our enlistment test have become good soldiers. We turn down a lot of people who want to join the service, roughly a quarter of the people who applied last year were turned down for aptitude reasons, and we have become more selective this year.

We wash a lot of people out of training. The Services have a number of successive gates that a person has to go through before he is marked as an acceptable member of the service. I think that the Army ought to be the judge of what is acceptable performance.

Senator EXON. You did not answer my question, Mr. Stone. My question dealt with the Marine Corps that had 53 percent high school graduates in 1975 and then 62 percent and now they have gone up to 75 percent. The thrust of my question was do you think that the congressional mandate had anything to do with the Marine Corps bringing up their quota or would it have come up anyway?

Mr. STONE. I think the congressional mandate may have helped. I don't know what would have happened without it. I think it may have been a good thing.

Senator EXON. If it helped and was a good thing for the Marine Corps wouldn't it help and be a good thing for the Army?

Mr. STONE. For one thing the character of the quota is different. That is, the Marines were told to recruit 75 percent high school graduates. The quota for the Army involves both high school graduates and test scores. The other reason that it might not be a good thing is that it forces the Army to take strength shortages at the same time there are recruits who are likely to make good soldiers.

Senator EXON. I guess I could not disagree with you more. I happen to feel from my studies and testimony that we have had that it is better. The Marine Corps went through that also. They were cut down on the numbers that they had but it forced them to go get better quality people.

Is my time up, Mr. Chairman?

Senator **Jepsen**. Not yet.

Senator **Exon**. Tell me when my time is up and then I will come back in the second round because I think there are other people who have questions to ask.

You indicated in your testimony, maybe you did not mean it that way, but you felt that if we paid these recruits more that we could get better recruits, is that right? By bonuses or something?

Mr. **Stone**. Yes, sir. I think that if we pay people more, we will have a wider choice of people. I think that is true in general.

Senator **Exon**. How is that different from the days of yesteryear when we went out to hire gladiators to fight our wars? Do you really believe that that will work in America? Has that worked in America ever during our history?

Mr. **Stone**. Until 1972 we never tried it, Senator Exon. We never in our history tried to maintain a large standing force in peacetime with volunteers. No, we never did try it before in our history.

Senator **Exon**. Have other countries tried it in their history?

NOT IN FAVOR OF CONSCRIPTION

Mr. **Stone**. To my knowledge, no, sir, I don't think any country has taken on both the worldwide military obligations that the United States has taken on and tried to maintain those obligations without conscription. It is a unique experience.

Senator **Exon**. You are not for conscription?

Mr. **Stone**. No, sir, not at this time.

Senator **Exon**. Mr. Stone, as I understand it then, you are recommending that the current restrictions in the law on the recruits be repealed, is that correct?

Mr. **Stone**. That is correct.

Senator **Exon**. Does this mean that you expect the Army to recruit fewer than 65 percent high school graduates and more than 20 percent in the category IV personnel among its male recruits?

Mr. **Stone**. No, Senator. In 1980 I expect that the Army will exceed 65 percent high school graduates by a fairly comfortable margin. I am concerned about 1982. In 1982 the congressional restrictions—there is no restriction on high school graduates—require each service to have more than 75 percent of its recruits in test categories I through III. It is just that test category restriction for the Army in 1982. The Army may be able to make that or they may not. That requires them to recruit 34 percent more people in categories I through III in 1982 than they did last year. They may be able to do it. I hope they are able to do it. We are programing and asking for the resources that we think will let them do it. But I am not sure they will be able to do it. Come 1982, I believe the Nation would be better served if the Army had the flexibility to take somewhat more than 25 percent of its recruits in test category IV if necessary to fill the ranks.

Senator **Exon**. Mr. Stone, my time is up and I will come back in the second round, to give my colleagues a chance. You just testified that you think that the Army will not have trouble in meeting what, at least I consider, an acceptable goal of high school graduates now but not in 1982. What is going to change 1982?

Mr. STONE. The statutory constraint changes. In 1981 the Department of Defense is allowed to recruit 25 percent of its people overall in category IV. We will make that. Again we will make it with something to spare. In 1982 the constraint is that each service has to have fewer than 25 percent of its recruits in test category IV. That is a much more difficult constraint on us. We can't balance off the smaller fraction of the Air Force against the larger fraction of the Army.

Senator EXON. You will get more flexibility. My time is up, Mr. Chairman. I will continue in the second round.

Senator JEPSEN. Senator Quayle?

CLASSIFYING REGISTRANTS

Senator QUAYLE. Mr. Stone, with respect to registration, do you think it would be helpful to classify registrants?

Mr. STONE. There would be some military benefit in classification over what we have now; that is, it would speed up the mobilization process, I think by only a little bit, Senator Quayle, but it would speed it up.

Senator QUAYLE. Do you think the additional cost involved would be in tune with the benefits that would be realized?

Mr. STONE. I feel an irresistible urge to speak off the top of my head without being sure of the right answer. I think the right answer is that it is not worth the increased cost. I would really prefer to provide a more thoughtful answer for the record.

Senator QUAYLE. Sometimes those off the top of the head responses are best. What I am interested in pursuing is to see whether the registration we have right now is sufficient. If you look at it from the standpoint of mobilization, we have registration. I don't know how good it really is. We have names and addresses of people and that may help somewhat. But you don't know whether they are disabled or what. It is like a postal service program. It seems to me that if we are going to continue registration it may be prudent to have some sort of classification.

Mr. STONE. The theory is that on mobilization we would have some idea, some good idea, of what fraction of the registrants would be qualified for military service.

If mobilization were to occur and if Congress authorized a return to the draft, the Selective Service could order to the examination stations the right number of people. For example, if we expected half the registrants to be qualified, Selective Service could order two people to the examining stations for every one that we expected to draft.

One of the arguments that has been raised against classification is that young people's classification changes so rapidly that the physical examination that you give when somebody registers at age 18 would be out of date by the time he is 20 or 21, when he enters the primary draft age group. In addition, it is quite expensive to examine 2 million people each year.

Senator QUAYLE. I notice you said that you are against conscription. Can you give me the downside and the argument against the idea of drafting only for the Reserves?

Mr. STONE. Arguments against drafting only for the Reserves? In part the argument is the argument against conscription in general. I think the biggest single argument against the draft is that it is compulsory. In the absence of a need for the security of the Nation, we ought to use little compulsion throughout the society. This does not apply only to military service but also to all sorts of Government regulations and other restrictions to individual freedom.

Senator QUAYLE. Let me ask you this hypothetical question. Let us assume that in due course the Volunteer Army is fairly well repudiated as far as having the proper readiness and quality. Let us assume that the political realities are that we are not going to get through Congress any kind of draft. Therefore, we would be in a position to say we would have to have something else, we couldn't have the All-Volunteer Army, we couldn't have the draft. Then how about the draft for Reserves only?

DRAFTING TO FILL RESERVE FORCES

Mr. STONE. Senator, I think the Reserve Forces are a critically important part of our defense capability. If we can't sustain them through volunteer means we will need to have a draft to sustain them. The alternative, which is not to have Reserve Forces or to have Reserve Forces that are greatly reduced in size, is a greater threat to national security and under the hypothetical circumstances you have suggested would warrant the compulsion of a draft.

Senator QUAYLE. This is all hypothetical and speculative and we will make sure that is noted in the record but I just want to know on a hypothetical basis. The question is that the draft would be out for political reasons. It would be determined that politically it would not go through, and it also would be accepted that the Volunteer Army had not worked. Therefore, we would have to come up with some alternatives. One of the alternatives would be drafting only for the Reserves. That is in the area of compromise.

I just want you to respond to the hypothetical circumstances that I have laid out.

Mr. STONE. I think what you say makes sense, that drafting for the Reserves in one sense is less of an intrusion and perhaps might be an easier thing to do politically than drafting for the Active Forces. There is one problem in drafting for the Reserves that I haven't been able to figure out although somebody else might. Membership in the Reserves essentially is a part-time occupation during peacetime. We have a Reserve transportation unit in Trenton, N.J. If we draft somebody and assign him there, suppose he does not want to live there? Suppose he wants to move? Suppose his employer wants to move him someplace else? How do we fit the compulsion of the draft in with this part-time employment? When we drafted for the Active Forces we didn't have that dilemma. We said, "We want you and we want you full time and you go where we tell you."

Senator Quayle. The way it works right now under the Reserve program, if someone moves, usually he will try to find a unit, whether it is National Guard, Army Reserve, Naval Reserve, that can accommodate him. He may not be in the exact slot he was in before, but I have never found that moving was a great difficulty. I was in the Reserve for 6 years and a lot of people were moving in and out a lot of the time. It did not seem to be a problem. If that is one of the strong arguments against drafting for Reserves we may be able to overcome that obstacle.

Mr. Stone. Mr. Brinkerhoff, would you like to comment on that?

Mr. Brinkerhoff. Yes; I think it would be a very poor idea to draft people in the Guard and Reserve. If you are going to draft I would say let us put them in active duty, serving in an active component and the Guard and Reserve can benefit later when these people flow through. The reason I say this is because participation in training in the Guard and Reserve on weekends or 2 weeks in the summer is the essence of a voluntary act. You may conscript a man and put him under full military control on active duty but you have your hands on him for 7 days a week, 24 hours a day, and if he does not do something you have sanctions.

However, getting up at 5 o'clock in the morning, after you have worked a full week at your civilian job and going out to the armory to participate in a weekend of training with your Guard or Reserve unit is the essence of a voluntary act in civilian society by civilian soldiers and the kinds of sanctions that would have to be imposed to require conscripted personnel to make this kind of additional participation would be severe indeed and I think it would be a devastating drawback to such a kind of conscription.

Senator Quayle. In other words, you think the service on the weekends would be a strong deterrent to having a conscription?

Mr. Brinkerhoff. You can draft a man in the Army, Navy, Marine Corps, or Air Force and he is on active duty and under your control. A guy in the local Reserve unit is not under control. Getting up and training is an active part of participation. I don't think it is the kind of thing that will make the Guard and Reserve ready.

Senator Quayle. In other words, you don't think that any kind of draft for the Guard and Reserve would make it more ready than it is today?

Mr. Brinkerhoff. Absolutely not. It would fill the ranks with unwilling people over whom you have no control because they are essentially civilians and it would be the worst thing in the world.

Senator Quayle. You can advance that same argument for the draft, itself.

Mr. Stone. Absolutely.

ALL-VOLUNTEER FORCE OR DRAFT

Senator Quayle. If you are going to force somebody to serve and there is no appearance of crisis and there is no will or motivation, you are not going to have the readiness, you are not going to have the capability. What I am trying to stake out is some sort of moderate ground in this argument of whether we are going to have the All-

Volunteer Force or the draft. I really feel that sometime we may come down to pursuing an alternative to both of those because in this country of ours where we relish individual rights and freedom, full-time conscription during peacetime is going to be very difficult to swallow, very difficult to sell, no matter how good it is on paper and how efficient it may be.

I just don't see it coming in the near future. But I do see a growing concern for the quality of manpower and as that concern grows, let us look at some alternatives. That is why I am trying to pursue an alternative to the all-out draft.

You talk about the flow through, the benefits once they are trained, and then they go into the Reserves or the Guard. Maybe we can reverse that argument and say that once they are trained, they flow through up to the active duty which would be much better than what we have now and which is just registration.

COST OF RECRUITMENT

I have one other question. What is our cost of recruitment?

Mr. **Stone**. Cost of recruitment?

Senator **Quayle**. Yes.

Mr. **Stone**. We spend just under $1 billion on recruiting. That includes operating our entire enlisted recruiting operation and all the bonuses we pay, all the advertising we do.

Senator **Quayle**. We spend $1 billion on recruitment. How many recruits do we get from that?

Mr. **Stone**. About 373,000 in the Active Force and another 224,000 in the Reserves.

Senator **Quayle**. So you are talking about 600,000?

Mr. **Stone**. Yes. The billion dollars is our recruiting budget for the Active Force.

The total Reserve recruiting runs about $223 million on top of that. It is about $1.2 billion.

Senator **Quayle**. Do you have that broken down as to what is the cost per recruit?

Mr. **Stone**. Yes. The Active Force cost per accession in fiscal year 1982 is estimated to be about $2,500. For the Reserves that would be approximately $1,100 per accession.

Senator **Quayle**. Has this been increasing?

Mr. **Stone**. Yes.

Senator **Quayle**. Is it going to continue to increase?

Mr. **Stone**. Well, our recruiting budget has doubled since 1978 in current dollars. Now inflation has made up a big piece of that. In 1978, our Active Force recruiting was $470 million. In 1982, we are asking for $940 million. So, recruiting has become more expensive.

Senator **Quayle**. Give me those figures again—1978 is what?

Mr. **Stone**. $470 million.

Senator **Quayle**. It doubles when?

Mr. **Stone**. In 1982, and this is the Carter budget—we are asking for $940 million.

Senator **Quayle**. Do you have any idea what we are going to be asking in 1985 or 1984? Double again?

Mr. **Stone**. It depends on a couple of things. It depends on what happens to the size of the Armed Forces. There is some consideration, I think, on increasing the size of the Armed Forces. Another one is that it depends on what restrictions the Congress places on our recruiting ability.

Senator **Quayle**. Thank you very much.

Senator **Jepsen**. I have been listening with great interest. To recap a little bit, we started early on by a recommendation that you make available now an enlistment bonus increase from $5,000 to $10,000 for certain skills. It was increased from $3,000 last September to $5,000. Now, approximately 6 months later, we are suggesting it go to $10,000. At the same time, as has been brought out in testimony here, the methods of measurement, of testing, leave something to be desired. I believe you stated earlier that you found out some testing was wrong—it was miscalibrated, or something to that effect.

Mr. **Stone**. That is correct, Senator.

RECRUIT TEST SCORING MISCALIBRATED

Senator **Jepsen**. Last year, the method of testing enlistment applicants for the skills necessary to enter the Armed Forces, you say, was miscalibrated or whatever technical word you used to say the scoring was wrong or erroneous. As a result, the services enlisted recruits that would have been rejected because of low test scores, as I understand. In a recent study, however, of the implementation of the new armed services vocational aptitude battery test on recruits, findings indicate that the majority of those potential ineligibles successfully completed their tour of duty.

In view of these findings—I am now getting to my question—it seems to me the problem is that no one seems to know who will succeed or who has an accurate method of testing. How do you measure performance in the military?

MEASURING PERFORMANCE IN THE MILITARY

Mr. **Stone**. That is a very good question and it is one that we have been working on. We don't have any single acceptable measure. In attempting to assess the performance of the people that had been admitted because of the error in our test scoring, we tried first to determine what accomplishments the Army expected of its enlistees. We identified a series of five things that the Army was asking a recruit to accomplish during his first tour. The first is that the Army expects him to complete training, to succeed in his training course.

The second expectation is that he pass a Skill Qualification Test after he gets to his unit. Further, Army asks that he survive in service, that he not be washed out. Army also expects him to meet the requirements to be promoted and at the end of his first enlistment, to be graded as eligible to reenlist. So, when we talk about a person's success in service, what we are looking at is a composite of these five things for the Army.

Senator **Jepsen**. What I think concerns me—and as I believe from what I heard concerns Senator Byrd and others—is that we are now asking for more money, $10,000, for skills and when we ask—I believe

Dr. Martin responded—what are the skills? He said, well, you know, combat, a long-range type of thing. I don't understand what that means. I would like to hear again: What is this skill that we are supposed to measure; what are we measuring to ascertain that, according to a certain test score, you reach a certain level, you will then pull a lever, and we pay out $10,000?

Mr. **Stone.** I am sorry, we are using the same word in two different senses. When we talk about paying a bonus we are talking about a Military Occupational Specialty. For instance, MOS–11B or infantryman. We call that a skill in our jargon. We say we want to pay a bonus to somebody who enlists for training in that skill, in that MOS. There are a number of Military Occupational Specialties for which we want to start paying bonuses.

The other sense in which we use the word skill is in relation to how good a job a person does. Currently, to get a full bonus the recruit has to serve out his tour. That means he has to get through training and he has to complete his entire tour. He may not have to do well on the skill qualification test and he may not have to be promoted to grade E–4, but if he serves out his term successfully he will get the bonus. That is the practical matter of how we manage the bonus program.

Another study that we are conducting, which is related to what kind of people we need in the military and the kind of questions that Senator Exon was asking, is concerned with the measures of adequate job performance and determining the characteristics of persons capable of that adequate job performance.

Senator **Jepsen.** What are the present enlistment tests designed to measure? You gave these four areas. Was that what it is designed to measure?

Mr. **Stone.** No. The enlistment test is a pencil and paper aptitude test that is designed to measure a person's general trainability and his aptitude for training in various kinds of jobs. There is an electronic portion and mechanical portion and automotive portion along with a literacy portion of the test. The composite of this pencil and paper test is a measure of his trainability.

Senator **Jepsen.** It is basically a vocational aptitude?

Mr. **Stone.** Exactly.

Senator **Jepsen.** Which in turn for a high score you may offer and agree to pay $10,000?

Mr. **Stone.** Up to $10,000. If the person scores well on the test and he is a high school graduate and he is going into one of the military jobs that rates the top bonus, we would propose to pay him $10,000.

A $10,000 ENLISTMENT BONUS

Senator **Jepsen.** Both Dr. Martin and you used the infantryman MOS, combat. I can understand why you would need to pay more to get people to sign up for that. What you are essentially saying is that for combat training, MOS specialty of rifleman or whatever it may be, you are willing to pay $10,000 and you would be willing to pay $10,000, I assume also, for a MOS of a surveyor for a land artillery battery. Is that correct?

Mr. **Stone.** I think so.

Senator JEPSEN. Or MOS for a computer operator? I guess I am saying you would pay $10,000 for just about everything. Is there anything you would not pay $10,000 for?

General TICE. The enlistment bonus is used selectively to try to recruit in those areas where we need the higher quality individual that is not marching into the recruiting office. It is an additional enticement to get what we consider critical skills. Critical skills can be defined in two ways. There would be some who would say that being a combat soldier is not very critical with reference to technical know how and difficulty of training. On the other hand it is very critical in the U.S. Army if they have no one coming in to enlist in the infantry, armor and artillery. So, the proposal that we are mentioning here today with the 1982 budget is the flexibility to go to $10,000. Certainly there would not be a large number of people drawing that high a bonus.

In fact, we have only recently gotten authority to go to $5,000 and we are seeing what kind of effect that has on attracting those individuals into those scarce skills who have high quality and could meet the difficulty of the training.

HIGHER MENTAL QUALITY SOUGHT

Senator JEPSEN. In your opinion, General, is the military accessing a sufficient number of the type individuals that are needed in the Army.

General TICE. That is a tough question because most of us are victims of our experience of the past. The one thing we have not had in the combat arms in recent years is the 5 or 10 percent of the very bright guys we used to get with the draft. We find that shortage creates some of the problems for us today. We are seeking to increase the number of higher mental quality individuals into the combat arms area who can assimilate the training going at a more rapid rate.

Senator JEPSEN. Senator Exon?

Senator EXON. It is now $5,000. Now you are talking of going to $10,000. It seems to me in our overall relationship to the budget and the expense of manpower, which is higher in the U.S. Armed Forces I believe than any other country, we have to try to keep this in proper perspective. I am not closed minded on it, but I am not sure that I agree with you that by going from $2,000 to $5,000 to $10,000 with your testing skills you are necessarily going to get the job done. Let me get into some specifics because I sense some differences of opinion between you gentlemen who have heavy responsibilities in that area and those of us on this side of the table who have to assist in passing the laws.

According to your statement, Mr. Stone, you say it is important to recognize that the services have well-established programs for eliminating those recruits which are not capable of becoming useful service members. On page 15 you list A, B and C, "A new enlistee must graduate from recruit training and pass a skill training course before being assigned to a unit. A member of a unit must reach a standard level of performance, often having to pass written and hands-on performance tests"—I think that is what you were referring to a moment ago in answer to a question from my colleague—and "Each first termer is carefully evaluated to determine his eligibility to reenlist and become part of the career force."

What I am getting down to here is that it seems to me that you are placing more emphasis on your testing skills and the results of those tests than some of the curriculum, high school curriculum particularly, that we now have in force. It seems to me that there is more evidence available now than there was at this time last year about the relationship between mental category and high school graduates and job performance in the military.

ARMED SERVICES VOCATIONAL APTITUDE BATTERY

I would like to get your comments, Mr. Stone, in response to the finding of a report submitted to this committee on December 31, 1980 entitled "Implementation of the New Armed Services Vocational Aptitude Battery and Action to Improve the Enlistment Standard Process."

In here it talks about Gate I, graduate from recruit training and passing a skill course. Now the Office of the Secretary of Defense report shows "Strong relationship between ASVAB and success in training school." Do you agree with that finding?

Mr. STONE. Yes, Senator. We use the ASVAB, the Armed Service Vocational Aptitude Battery, both as an enlistment screen and as a classification tool. For example, if the person joins the Air Force and says "I want to be an electronics technician," he has to get a high grade on the electronics aptitude test. If he doesn't get that high grade the Air Force won't send him to electronics training school because their data show if he doesn't get, say, 110 on the electronics test he is unlikely to pass electronics training.

At the same time they show that these success rates vary according to the kind of training. Some military training is very, very difficult, very taxing intellectually. Some of it is more taxing physically. The test separates people into those that are likely to pass very taxing tests of one sort or another.

Senator EXON. Gate II, Mr. Stone, says "Must reach standard of level of performance of passing handwritten, hands-on performance test before being recommended for promotion." Now the OSD report finds that those that were actually enlisted by the Army, the test was miscalibrated and higher attrition rates resulted. Further, they say "Had lower skill qualifications test (SQT) scores, their performance may affect the performance of the Army units."

I am sure you would agree that is a distinct possibility?

Mr. STONE. Sure. We think in general that people who have higher educational attainment and who have higher test scores in general do better than people with lower educational attainment and lower test scores. There is no dispute about that.

Senator EXON. Yet you want us to change the law to allow you to take fewer high school graduates?

Mr. STONE. The main reason that I think that the law should be changed is that the law limits the number of people in test category IV that we can take. Our data show that a person with a high school diploma who scores in category IV is a very good bet to be a successful soldier if we can place him in the right job. For example, citing some numbers that I think are in that report, of the people we admitted by mistake because of the error in the test scoring, 71 percent of those that were high school graduates completed their tour of service; 94 percent of them graduated from skill training. While only 51 percent passed the skill qualification test, 71 percent of the high school graduates who had higher test scores, passed the same tests.

So, the high scoring people did better than the low scoring people. As sure as we are sitting here, the Army wants and should try to get more high scoring people. We believe that it is worth offering a $10,000 enlistment bonus to high scoring high school graduates to get them to join the Army. As General Tice said, the Army needs a few people in all skills who are very bright, but the question is whether in some of the skills, it is possible to succeed without getting a high score on the aptitude test.

Army data show, in my judgment conclusively, that it is possible to succeed.

Senator Exon. Mr. Chairman, I won't belabor the point any more. I have one last question and if either of the other witnesses care to respond to this one I would appreciate it for the record.

ELIMINATE RESTRICTIONS TO RECRUIT QUALITY

Based on the information in this report that I have referred to I find it hard to understand why you are saying that we should eliminate the restrictions in the law as to recruit quality. Gentlemen, the restriction on mental categories is in the law, is permanent law and would apply in a draft, emergency or in peacetime. Without these restrictions what authority would you use to selectively conscript men with higher talents? How would you do that? Do you understand the question?

Mr. Stone. I certainly do, Senator. We don't know how to do that. We don't know how to use the draft to conscript people with higher aptitude. Now we could design a draft, for example, that would conscript doctors. We could say "If the AMA says you are a doctor, that is good enough for us." But we don't know how to draft the people only that score very well on the test.

Senator Exon. Mr. Stone, the point is that it seems to me, and correct me if I am wrong, that if we are going to tell the Army that they can't have more than 35 percent of their male enlistees without high school diplomas, that that assists you in getting higher quality people that you want. Otherwise what keeps you from going down to 50 percent of the males in the Army without high school education?

I am sure you are not saying that is not important. You wouldn't want an Army with only 50 percent high school graduates because certainly that kind of Army would not meet the overall qualifications that you people think are important. All I am saying is that I feel as one Senator that that restriction in the law assists you in bringing up the quality and if you work hard at it I don't think it is going to be that difficult. At least the Marines didn't find it so.

Mr. Stone. Senator Exon, we surely want an Army that has a much higher percentage of high school graduates than 50 percent. There is no argument with you about that. Moreover, I think there is a good chance that the Army will be able to make its recruiting goals in 1982 even with the law that restricts recruiting. However, a good chance is in my judgment not enough. I think there is a significant chance that the law could wrongly require the Army to go short of people. It is that chance that makes us say we think you ought to change the law. I hope it is not a problem. Our calculations, to the extent that we can do the calculations and predict how young people are going to act 2 years from now, are calculations that say we can probably make it.

Maybe we can. But against the chance that we can't I would rather have the law changed and take in more people, for example, who score in category IV that are high school graduates, I would rather take in more of those people than have units of the 82d Airborne Division without enough soldiers in them.

Senator EXON. The answer to that, Mr. Stone, is that if we can't get them that way, then we had better get them through a draft but I guess you don't agree with that.

Mr. STONE. A draft can deliver the number of people we need, Senator, no question about that.

Senator EXON. My concern is that as much as I would hate to vote to return to a draft, I think that the law, the way it is written now, was designed at least by some of us to say "put up or shut up" on the so-called All-Volunteer Service and if it won't work and get you the quality that you want, then we are going to have to go to something else and I assume that is the draft.

Mr. STONE. It is conceivable that the law could force us into a draft situation, Senator.

Senator EXON. Thank you.

Senator JEPSEN. Shifting gears, just coming down the home stretch a little bit, I recently visited several U.S. bases in Europe. It become quickly apparent that there are many women actually stationed in what I would term a quasi-combat position. It also became apparent to me that there are quite a number of sole parents with dependents. It seems to me that a conflict would exist between a sole parent responsibilities to his or her children and to his or her unit during peacetime and especially during the outbreak of hostilities.

SOLE PARENTS ON ACTIVE DUTY

I have three questions that I would like to have either answered now or have answers submitted for the record. One is, How many sole parents are on active duty? Do you happen to have that information?

Mr. STONE. Yes; we do. General Tice has that information.

General TICE. We have in all services about 39,000 sole parents. That is 24,000 in the Army, 4,700 in the Navy, 3,700 in the Marine Corps, and 6,300 in the Air Force, for a total of 39,100 out of a strength of 2.1 million.

Senator JEPSEN. Does the Department of Defense recruit or reenlist sole parents into the military?

General TICE. Under the new accession policy for each of the services, they do not normally enlist sole parents. That has not been true in the past. In the Air Force and in the Marine Corps you may enlist only with a waiver showing proof of care of those dependents.

Senator JEPSEN. What prompted them to stop?

General TICE. I think at the time that they were taking the single parents in for enlistments it was to obtain those individuals with skill qualifications that we felt we needed. As we were more successful in recruiting, you know, in 1980 in meeting our objectives, the services became more discretionary about taking individuals in with personal burdens that might interfere with their performing their duty.

DOD POLICY ON SOLE PARENTS OVERSEAS

Senator JEPSEN. What is the DOD policy in assigning sole parents and their dependents overseas?

General TICE. We have no restrictions on sole parents being assigned overseas.

Senator JEPSEN. In the event of a firefight there and people having to go out, move, communicate, shoot, what happens to these dependents?

General TICE. In the European theater today in the U.S. Army there is a requirement for the sole parents to execute an affidavit or power of attorney designating ahead of time someone in the theater to look after the child or, in the case of going to war, to take part in and assume guardianship over the child for evacuation out of the country. That policy is based on a legal determination. It is both acceptable on the part of the parents and legally sufficient to allow us to evacuate the noncombatants out of the theater should we go to war.

As you know, I commanded the 3d Infantry Division over there from 1977 to 1979. It was not without some problems: Initially we had no firm policy on how to care for those dependents. What evolved is the policy that I have given to you, sir.

Senator JEPSEN. I have no comment on it. It is a problem. I was somewhat surprised at the numbers. You read in history books, those that watch what happened in the father relationship with dependents in the Vietnam war when they would take off 3 or 4 days to take care of their dependents and they would come back and fight. It is a problem that needs some attending to, it seems to me.

Senator Levin has questions for the record. I want the record to show that the record will remain open for questions until 5:15 p.m. today or until such time as Senator Levin has been contacted to give him the opportunity to submit these questions.

Senator Byrd also has questions for the record and I have additional questions for the record.

Senator Exon?

Senator EXON. I am out of questions, Mr. Chairman.

Senator JEPSEN. Thank you very much for coming. I wish we could wave a magic wand and solve all the problems but we will be addressing them and working hard on them. We look forward to working together on them.

Mr. STONE. I too look forward to working with you, Senator Jepsen. It has been a privilege for me to make this statement today.

[Questions with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR ROGER W. JEPSEN

RECRUITING COST PER RECRUIT

Senator JEPSEN. Could you provide for the record the per capita cost of each recruit taking into account both recruiting costs and enlistment bonuses? Could you also provide that by year and by Service.

ANSWER. The requested information follows:

ACTIVE FORCE, ENLISTED ACCESSION COSTS (PER ACCESSION) FISCAL YEAR 1980 ACTUAL, FISCAL YEAR 198 PROGRAM, FISCAL YEAR 1982 PRESIDENT'S BUDGET

Service	Fiscal year—		
	1980	1981	1982
Recruiting and advertising cost per accession (cost in current dollars):[1]			
Army	$1,818	$2,622	$3,124
Navy	1,438	1,552	1,766
Marine Corps	[2] (1,756) 2,097	[2] (2,103) 2,488	[2] (2,276) 2,696
Air Force	997	1,241	1,360
DOD total[3]	1,701	2,168	2,519
Cost in Constant fiscal year 1982 dollars:			
Army	2,163	2,740	3,125
Navy	1,724	1,647	1,766
Marine Corps	[2] (2,157) 2,546	[2] (2,245) 2,667	[2] (2,276) 2,696
Air Force	1,226	1,328	1,360
DOD total[3]	2,042	2,296	2,519

[1] Excludes Reserve advertising ($500,000 in fiscal year 1980, $500,000 in fiscal year 1981, and $500,000 in fiscal year 1982) funded in active Air Force budget. Navy numbers exclude $1,400,000 for Wharton Field experiment.

[2] Marine Corps recruiters, included in active force budget, recruit about 8,000 NPS reservists each year. Average cost per accession in parentheses includes these NPS reservists.

[3] DOD totals include lease costs, DOD market research funds, $8,000,000 in fiscal year 1981 and $8,200,000 in fiscal year 1982 for the joint recruiting advertising program not included in service costs and $3,200,000 in fiscal year 1981 for the educational assistance test program advertising.

SELECTED RESERVE COMPONENT, ENLISTED ACCESSION AND RECRUITING RESOURCES FISCAL YEAR 1980 ACTUAL, FISCAL YEAR 1981 PROGRAM, FISCAL YEAR 1982 PRESIDENT'S BUDGET[1]

Component	Fiscal year—		
	1980	1981	1982
Total cost per accession in current dollars:[2]			
ARNG	$580	$806	$962
USAR	874	1,149	1,347
USNR	445	541	568
USMCR	937	1,165	932
ANG	648	1,089	1,235
USAFR[3]	722	1,045	1,064
Reserve total[4]	664	920	1,055
Total cost per accession in constant fiscal year 1982 dollars:[2]			
ARNG	661	819	962
USAR	1,016	1,187	1,347
USNR	522	556	568
USMCR	1,111	1,226	932
ANG	757	1,112	1,235
USAFR[3]	844	1,074	1,064
Reserve total[2]	768	943	1,055

[1] Numbers may not add due to rounding. Includes enlistment incentives.

[2] Marine Corps and Navy recruiters included in active force budget recruit about 8,000 NPS Marine Corps Reservists and about 2,000 NPS Naval Reservists each year. "Cost per accession" data exclude these NPS Reserve accessions.

[3] Includes $500,000 funded in active USAF budget for advertising in each fiscal year.

[4] Reserve totals include $2,000,000 for joint advertising program in fiscal year 1981 and fiscal year 1982.

FLEXIBILITY IN MEETING END STRENGTHS

Senator **Jepsen**. I understand that the Office of the Secretary of Defense has directed the Air Force to examine the possibility of asking Congress for flexibility in meeting the Services' annual authorized end strengths. Mr. Secretary, why would the Services need some leeway in reaching their end strength goals?

Answer. Although no one in the Office of the Secretary of Defense has directed the Air Force to take such action, the Air Force is concerned about not exceeding its authorized military end strength ceiling. Because of the recent increases in pay and benefits, the Air Force anticipates a situation in which it might be necessary to deny enlistment or reenlistment to qualified individuals who would be needed to man the forces in order to keep military strength below the authorized level on the last day of the fiscal year.

We do not believe that Congress intends that the annual strength authorization force the Services into such inefficient manpower management actions. If such a situation should arise, we would, of course, consult with the committees

RESTRICTIONS ON CONTRACTING OUT

Senator **Jepsen**. Secretary Stone, what changes would you like to see made to the restrictions on contracting-out?

Answer. First, let me say that the notification, certification, and reporting requirements contained in section 502 of the Department of Defense Authorization Act for fiscal year 1981 have not been an overwhelming deterrent to our decisionmaking process. However, section 502 is a major concern. While that section does not prohibit conversion to contract performance where it is more economical, it does create an administrative burden that delays and adds costs to a program whose objective is efficiency. That section, for example, imposes specific requirements for notification, certification, and the reporting to Congress of an intent to study an activity even if there is only one Department of Defense employee currently performing the function, even though the incumbent employee may be assured another Federal position or plans to retire, and even though the function is performed by military personnel needed for other assignments.

While we recognize the legitimate oversight responsibility of the Congress, we believe that it could be more properly exercised through an annual report or possibility by reports on major conversions involving over 100 civilian personnel. Consequently, we believe that section 502 should be eliminated in its entirety. We understand that the provisions of section 502 are now permanent law; it will take specific legislation to terminate them.

OMB Circular A-76 and the Department of Defense implementing regulations already contain appropriate language on the principal issues addressed by section 502. For example, OMB Circular A-76 specifically prohibits conversion to contract solely to meet personnel ceilings or to avoid salary limitations. Further, A-76 also requires that the in-house cost estimate be based on the most efficient organization and staff.

If section 502 cannot be eliminated in its entirety, the following amendments should be made:

(1) Exclude from its provisions, smaller commercial and industrial-type activities such as those with 50 or less Department of Defense civilian personnel or annual operating costs under $1 million.

(2) Exclude from its provisions, commercial and industrial-type activities performed entirely by military personnel.

(3) Exempt the Department of Defense from complying with the provisions of section 502 in items of national emergency and during periods of mobilization.

AUGMENTATION OF ACTIVE FORCES WITH RESERVISTS

Senator **Jepsen**. We are often told that the Navy is short 20,000 petty officers, have any steps been taken to augment the active forces with reservists in order to alleviate this shortage?

Answer. The Navy has taken a number of initiatives to alleviate its petty officer shortages with reservists. First, we have targeted all Naval Reservists in shortage skill ratings and have conducted an intensive advertising and recruiting campaign to solicit their recall to active duty. This is an ongoing effort which we have pursued intently since March of last year. To date, we have sent individual letters to over 26,000 Naval Reservists in sea-shortage ratings inviting them to request recall to active duty. Another 15,000 letters will be mailed in April of this year. In concert with this effort we have recently mounted a similar initiative directed toward recalling eligible fleet reservists (released from active duty with 20 or more but less than 30 years active duty) in the Navy's "Top-Three" (E-7/8/9) shortage ratings, soliciting their recall to active duty.

In a separate but related effort, Navy has taken steps in fiscal year 1980 and 1981 to increase its prior service accession goal by 12 percent over fiscal year 1980 (from 9,712 to 11,000). Over 66 percent of these accessions will be Navy veterans. All indications at present are that we will attain or exceed this goal.

Finally, as you may be aware, Congress authorized in the fiscal year 1980, Authorization Bill, the Recall of 500 Selected Reservists for 2 years of active duty to fill "high priority missions of the Naval Reserve," thus freeing regular Navy personnel assigned to those units for further fleet assignment. Although the program was not authorized for continuation in fiscal year 1981, over 100 Naval Reservists reported to active duty during fiscal year 1980. This program was discontinued by Congress as part of the fiscal year 1981 Appropriations Act in favor of expanding the Enlisted Surface TAR (Training and Administration of Reserves) program to propulsion and engineering ratings in designated ships within the Naval Reserve Force (NRF), thus freeing regular Navy personnel for other duty.

SURFACE NAVAL RESERVE FORCE (NRF) SHIPS

Senator JEPSEN. Mr. Brinkerhoff, what portion of the Surface Combatant mission capability is vested in the Naval Reserve?

ANSWER. As of the end of fiscal year 1981, there will be 45 ships assigned to the Naval Reserve Force (NRF); 9 destroyers, 6 amphibious ships, 22 minesweepers, 2 ammunition ships, 5 fleet tugs, and 1 salvage ship. The destroyers represent the surface combatant portion of the NRF. At the end of fiscal year 1981, 188 surface combatants will be assigned to the active fleet. The NRF's contribution in terms of ship numbers alone is therefore about 5 percent of the Navy's total active and Reserve surface combatants. A more meaningful measurement of the Naval Reserve's contribution to the Navy's surface combatant forces is in the percentage of wartime manning the Naval Reserve is programed to provide to both NRF and acive force combatants. About 11 percent of the combined total planned wartime manning for active and NRF surface combatants is now programed to be provided by the Selected Reserve.

Senator JEPSEN. What is the average age of the 53 ships assigned to the Naval Reserve?

ANSWER. As of March 1981, there will be 45 ships assigned to the Naval Reserve Force (NRF). The average age of the 45 ships is 27 years.

Senator JEPSEN. What are the plans for modernizing the Naval Reserve Fleet?

ANSWER. The remaining eight aged and obsolete Naval Reserve Force FRAM destroyers will be phased out after completing two years service since last overhaul. Commencing in fiscal year 1982, the Navy plans to transfer modern *Knox* Class frigates to the NRF. Four such ships are to be transferred to the NRF during fiscal year 1982. Additional transfers are planned during the period fiscal years 1983–87. The possibility of continuing to expand the force of Naval Reserve surface combatants, after fiscal year 1987 to a total force of 24 ships, will be dependent on the numbers of such ships available, peacetime deployment requirements, and the success of the Naval Reserve in manning and operating those *Knox* Class frigates scheduled for transfer to the NRF. The Navy will provide, by April 1, 1981, a detailed plan for phase-in of capable ASW surface combatants into the NRF.

Senator JEPSEN. Mr. Brinkerhoff, what are the major problems in integrating the Reserves into the Total Force Policy?

ANSWER. The Total Force Policy is the methodology in which the National Guard and Reserve Forces augment combat and sustaining capability of the Active Components. It is working extremely well. The major problems are in equipment shortages and compatability with the Active Components.

OVERSEAS DEPENDENTS

Senator JEPSEN. In 1980 General Meyer and General Rogers testified that the congressional ceiling on the number of dependents overseas was harming morale and discouraging reenlistment. Secretary Stone, what is the number of command-sponsored and non-command-sponsored dependents currently overseas?

ANSWER. The number of military dependents living overseas as of the end of December 1980 was: command-sponsored—313,235; non-command-sponsored—31,919.

Senator JEPSEN. How has the overseas dependents ceiling affected the morale of our troops abroad?

ANSWER. The morale of our troops abroad has been adversely affected by the congressionally imposed ceiling on dependents overseas. Army instituted a number of personnel actions in July and August of 1980 when it appeared that they might exceed their individual ceiling, at the beginning of fiscal year 1981, unless they acted to stem the flow of dependents. These actions, which included curtailment of tours and early return of dependents from overseas areas as well as travel delays for dependents going overseas, disrupted the plans and approximately 5,500 Army dependents. The negative effect this had on the families concerned and on others stationed abroad was most noticeable and complicated the already difficult task of assigning career personnel to foreign duty stations.

Senator JEPSEN. Has the family separation allowance authorized by Congress last year encouraged junior enlisted personnel to take unaccompanied tours overseas?

ANSWER. The provision, authorizing the payment of the Family Separation Allowance (FSA) Type II to E-4 with less than 4 years service and below, has only been in effect since October 1, 1980. No trend has yet been established to enable us to determine if the $30 a month payment has discouraged junior enlisted personnel from having their families join them in overseas areas.

Senator JEPSEN. Mr. Secretary, would you comment on the value of making the overseas dependents ceiling more flexible for less dangerous areas of the world?

ANSWER. The Departent's position has been that there should be no ceiling on the number of dependents overseas. Dependents are only permitted to accompany their sponsors to areas where adequate support, including security, exists. If an area is considered dangerous, no dependent travel is authorized.

Our concern for readiness is best served by avoiding arbitrary constraints on dependent travel abroad. We continuously review our judgments as to where dependents should be authorized travel to ensure that we are fully supporting our personnel and making the best use of our resources.

LOST TIME DUE TO PREGNANCY

Senator JEPSEN. The Air Force Times recently reported that 10 percent of the Army women are pregnant at any given time. Those who are pregnant cannot be transferred overseas and those who become pregnant overseas would have to be evacuated with dependents prior to mobilization for war. Secretary Stone, what effect does the unavailability of these women have on readiness?

ANSWER. Army policy provides that pregnant soldiers will not be deployed overseas and that those 18 or more weeks pregnant in hostile areas will be automatically evacuated when noncombatant evacuation plans are implemented. Lieutenant colonel (0-5) level commanders are authorized to order evacuation of those less than 18 weeks pregnant. Studies of lost time in all services have shown that while women do have more lost time for medical reasons (including pregnancy), that this is offset by their lower lost time for indiscipline, AWOL, and desertion. Overall, there is not a great degree of difference in lost time between sexes

WOMEN IN COMBAT

Senator JEPSEN. Mr. Secretary, are women being called upon to fill the gaps in combat billets created by the shrinking manpower pool and the stautory limitation on Category IVs and non-high school graduate accessions?

ANSWER. Women are not being assigned to combat skills in any Service. As you know, there are statutory as well as regulatory restrictions on the use of women in combat positions. We do not think the American people, as well as the Congress of the United States, advocate the use of women in combat. We do not advocate the use of women in combat except in extreme emergencies.

Senator JEPSEN. Could you meet your overall accession goals if women were ineligible for enlistment?

ANSWER. A major benefit of utilizing capable female service members is that the requirement for non-prior service males is reduced and the overall quality of recruits increased. Non-prior Service (NPS) female objectives represent about 16 percent of the DOD-wide objective for the Active Force (50,500 NPS females of 339,600 NPS in fiscal year 1981 and 54,700 NPS females of 338,300 in fiscal year 1982). To substitute male requirements for the entire female NPS objective could cause unnecessary shortfalls, particularly in the Army. Such shortfalls would be a result of the shrinking population of quality male youth needed to improve quality among Army recruits to achieve Service quality goals and the congressional constraints on recruit quality.

Senator JEPSEN. Are there any limitations on the number of women that DoD will recruit?

ANSWER. The Department of Defense believes that we should provide the opportunity for individuals, regardless of sex, to serve their country if they so desire. However, we must also recognize factors such as ship-to-shore and certain overseas rotation billets, as well as statutory restrictions on combat units or skills. These factors are combined with market factors such as the inclination of women to enlist and aptitude scores in developing recruiting goals for women. These goals represent objectives to be achieved within end strength requireemnts rather than ceilings that cannot be exceeded.

MEASURING JOB PERFORMANCE

Senator JEPSEN. During the past few years, the term Category IV has been the focus of much attention. Last year the method of testing enlistment applicants for skills (ASVAB) necessary to enter the Armed Forces was miscalibrated in its scoring table. As a result the Services enlisted recruits who would have been rejected because of low test scores, if the ASVAB had been calibrated correctly. In a recent study, "Implementation of New Armed Services Vocational Aptitude Battery and Actions to Improve the Enlistment Process," the findings indicate that the majority of those potential ineligibles successfully completed their tour of duty. In view of these findings, I have the following questions: How do you measure job performance in the military? What factors do you consider in your assessment?

ANSWER. We do not now have a single measure of an individual's job performance in any of the Services. In the absence of such a measure, we attempt to estimate the quality of an individual's performance by assessing various indicators that have some logical, although imperfect, relationship to job performance.

An individual has to pass through many gates before becoming a member of a military unit and, after that, remaining in service. All new enlistees must graduate from recruit training, and most must also pass a skill training course before being assigned to a unit. Many unit members are tested for proficiency in their skill before being recommended for promotion. Finally, each first-termer is evaluated to determine his eligibility to reenlist and become part of the career force. These multiple gates screen out many people who are admitted to military service. It is reasonable to assume that an individual who does not pass through these gates successfully is a poor performer.

Successfully passing through one of these gates does not guarantee that an individual is a successful service member, since no gate alone is a good measure of job performance. However, continued successful performance at each of the many gates through which an individual must pass is assumed to be indicative of generally satisfactory performance.

Senator JEPSEN. Should enlistment standards be set primarily with reference to expected job performance?

ANSWER. Yes. To the extent possible, enlistment standards should certainly be set with reference to expected job performance. The Services and the Office of the Secretary of Defense are pursuing, on a cooperative basis, a long-range systematic program of validating aptitude and educational enlistment standards against performance on the job.

Senator JEPSEN. Does ASVAB measure job performance?

ANSWER. No. It measures general trainability as well as different vocational aptitudes needed for success in military occupations. The ASVAB is used to determine enlistment eligibility and to establish qualifications for assignment to specific skill training. Many training courses are highly technical and require a proficiency in mathematics and science. Others require a degree of mechanical experience, or an ability to deal with clerical and administrative tasks. ASVAB assesses such aptitudes and thereby identifies individuals who will do well in the various training programs in the military services.

Senator JEPSEN. What are the present enlistment tests designed to measure?

ANSWER. The present enlistment tests are designed to measure the general trainability of applicants for military service.

Senator JEPSEN. In your opinion what are the best indicators of future job performance and a successful enlistment?

ANSWER. In my opinion, the possession of a high school diploma is a significant factor in future job performance and a successful term of enlistment. Non-high school graduates have about twice the attrition rate as high school graduates during the first term. However, our report shows that non-high school graduates who do not separate are good performers.

Our aptitude test is also a useful measure of recruit quality. Test scores predict a recruit's ability to absorb training, which in turn is related to his ability to do his assigned job.

ACHIEVEMENT OF MILITARY RECRUITING REQUIREMENTS

Senator JEPSEN. Is the military accessing sufficient numbers of the type of individuals needed to accomplish its mission?

ANSWER. Yes, first quarter fiscal year 1981 accessions indicate that the Services are accessing sufficient numbers and types of individuals to satisfy fiscal year 1981 objectives for recruits needed to accomplish their missions.

Senator JEPSEN. What are your projections for the future?

ANSWER. All of the Services are expected to achieve their fiscal year 1981 recruiting objectives with the Army exceeding the 65 percent requirement for nonprior service (NPS) high school graduate males estabilshed by Congress and all the Services combined achieving an NPS Category IV content below the Congressional ceiling of 25 percent. Forecasting recruiting results beyond fiscal year 1981 is less certain. With the recruiting resources requested for fiscal year 1982, we hope to continue to be able to improve the quality of our recruits; however, the more exacting Congressional quality constraints will be difficult to achieve in the Army.

QUESTION SUBMITTED BY SENATOR DAN QUAYLE

ACTIVE FORCE RECRUITING COSTS PER RECRUIT

Senator QUAYLE. Your statement, Secretary Stone, details a quantum growth in resources budgeted for recruiting from fiscal year 1980 to fiscal year 1982—almost a $300 million increase. What has been the per capital cost of active forces recruits over each of the last 5 fiscal years? What has been the per capita cost of recruits who have completed their first term of enlistment?

ANSWER. The attached table provides the per capita cost of active force recruits over each of the last 5 fiscal years. The data are not fully comparable because prior to fiscal year 1980 initial training, computer and telecommunication costs were excluded. In fiscal year 1982 these costs will total about $56 million.

Based on historical data, about 70 percent of the first term recruits do complete their first term of service. Assuming that the fiscal year 1980 accessions follow the same historical pattern, the recruiting cost per fiscal year 1980 new recruit completing the first term of service would be about $2,400.

ACTIVE FORCE, ENLISTED ACCESSION COSTS (PER ACCESSION) FISCAL YEAR 1979, FISCAL YEAR 1980 ACTUAL, FISCAL YEAR 1981 PROGRAM, FISCAL YEAR 1982 PRESIDENT'S BUDGET, DOD RECRUITING AND ADVERTISING COST PER ACCESSION[1]

	Current year dollars	Constant fiscal year 1982 dollars
Fiscal year:		
1978	$1,426	$1,961
1979	1,524	1,958
1980	1,701	2,042
1981	2,168	2,296
1982	2,519	2,519

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[1] Includes lease costs, joint market research costs and in fiscal years 1981 and 1982 funding for the joint recruiting advertising program. Fiscal year 1981 includes funding for educational assistance test program joint advertising.

QUESTIONS SUBMITTED BY SENATOR J. JAMES EXON

ARMY CIVILIAN MANPOWER REQUIREMENTS

Senator EXON. Do you agree with the assessment that the Army is short 65,000 civilians? How many civilians do you think the Army should be funded in the fiscal year 1982 budget?

ANSWER. The requirements for Army civilians have increased. In the past five years the number of supply items managed have increased by 7,000 line items; munitions shipped have increased sixfold; and by fiscal year 1982 yearly procurement actions will almost triple to 180,000. The Freedom of Information and Privacy Acts have generated more public, private, and individual requests for information. The Ethics in Government and the Civil Service Refrom Acts, support of the Panama Canal Treaty and the designation of the Army as the single manager for conventional ammunition have all increased workloads. Offsetting some of these increases has been the introduction of less manpower-intensive systems and equipment, and other management efficiencies. Overall, however, civilian requirements have increased. To meet these increased requirements, the Army should be funded at 381,700 civilians in fiscal year 1982.

GI BILL

Senator EXON. Mr. Stone, according to your statement, "results from our educational assistance test are expected in time for the congressional hearings for the fiscal year 1983 Defense Authorization Bill. At that time, the Department will be able to submit to Congress its proposal for a program for educational incentives for the military." Do you think Congress should wait for the results of the test before enacting additional legislation?

ANSWER. Yes. Many of the provisions now being tested—transferability of earned benefits, loan forgiveness, noncontributory assistance—are of particular interest to both Congress and the Defense Department. Since the test has been designed to provide information about the attractiveness of these provisions, it would be unwise to enact these provisions permanently before the test is concluded. We cannot afford to act hastily on an issue of such potential importance to the Armed Forces.

Senator EXON. At a hearing on February 3, I asked General Myer that same question. He responded, "The full test did not begin until December, 1980. We do not have any evidence of the test effects yet. The test design is quite complicated and the results when complete may not prove to be conclusive. As I have testified before, I believe the Congress should immediately move to enact legislation for the institution of the GI bill." Mr. Stone, what arguments would you make in rebuttal to General Meyer's remarks?

ANSWER. The test program did not begin until December 1, 1980, and it will run through September 30, 1981. We now have the first three months' worth of experience with the different benefit packages. Our second quarterly report to the Congress will contain preliminary test data from each Service. Because of the various education options authorized by the Congress in the fiscal year 1981 Defense Authorization Bill, the test design is complicated. All Services have now implemented the test. We have fielded a substantial advertising program and we have committed extensive resources to tracking and evaluating the program. We know of no basis for General Meyer's pessimism about the usefulness of the test.

To augment the test programs, the following research is being conducted:

analyze the results of the test to determine the effects on recruitment and retention of high scoring high school graduates;

analyze the differences among the various programs and compare them with respect to their accession and retention rates;

analyze the force manning implications of education benefits, to see if education benefits change a person's career plans; and

collect survey data to provide information on the different features of the programs and the effectiveness of the test implementation.

The Department believes that this research is essential to the design of any future permanent education program for military members. We will transmit our proposal for a permanent program after the test is completed and the results have been analyzed.

INDIVIDUAL READY RESERVE

Senator EXON. Mr. Stone, on page 37 of your statement you say, "Direct enlistment into the IRR provides an effective way to increase IRR strength . . . and can be offered in the skills that are most needed in the IRR upon mobilization. During

FY 1979, the Army conducted a test of this option, the results of which were inconclusive".

What do you mean by "inconclusive"?

How many people enlisted in the IRR?

ANSWER. During the six-month Army IRR Direct Enlistment test, approximately 450 new enlistees were recruited in the combat skills. It was concluded that the test itself was successful and demonstrated that direct enlistment was a viable source of increased manpower in the IRR.

Army recruiters who participated in the test expressed the opinion that the attractive feature of the program was that the IRR direct enlistee was given the option, after completion of training, to transfer to the active Army, the Selected Reserve or to remain in the IRR for the remainder of his obligation. About 40 percent opted for active or Selected Reserve duty. Based on results of a survey of the test participants, it was learned that most would not have enlisted in the Army if this option had not been available. Therefore, this enlistment option not only helped IRR strength but active and Selected Reserve strength as well by providing a way for undecided prospective recruits to enter the Army and then decide on the type and length of service.

However, the Army expressed several concerns about the concept of direct enlistment. The first was that the soldier had received only basic and advanced individual training and had no experience as a member of a unit. In the event of mobilization, additional individual and/or unit training may be required. Another source of concern was that it costs about $5,000 per person to access and train an IRR direct enlistee. Before a large direct enlistment program was instituted, the Army wanted to be sure these were viable assets.

There is no doubt the strength of the IRR could be increased by a direct enlistment program but we must insure this is done with usable mobilization assets. Because of these concerns, the direct enlistment test was inconclusive as a reliable source of mobilization manpower.

REGISTRATION

Senator EXON. Mr. Stone, do you support the continued peacetime registration of young men? Why?

According to your statement, the Department of Defense has imposed a more demanding delivery schedule upon the Selective Service System, requiring it to be prepared to deliver 100,000 inductees by M+30. What is the difference between the current requirements you have given the Selective Service System and the old requirements? (How many by M+30? How many by M+60? How many by M+90?) What difference do these schedules make in the expected shortages of needed combat personenl at D+90?

ANSWER. The Secretary of Defense has not completed his evaluation of the need for registration. Although no conclusion has been reached, we currently do not see an alternative to registration that would ensure a capability to provide additional manpower rapidly and efficiently during mobilization or war.

Because of its new capability, we have asked the Selective Service System to provide the first acceptable inductee by M+13 days and 100,000 acceptable inductees by M+30 days. To meet this schedule we have asked the Selective Service System to call 12,500 inductee candidates per day. Based on past experience, we expect about 6,250 of the 12,500 (50 percent) would report and pass mental and physical requirements. Requirements for inductees after M+30 days will be determined after mobilization and provided to the Selective Service System at that time. However, we do not envision a requirement after M+30 days that would exceed the daily delivery rate of acceptable inductees between M+13 days and M+30 days. The following table compares the old and new inductee schedules:

	First inductee	100,000 inductees	6-mo total
Old schedule (October 1977)	M+30	M+60	650,000
New schedule (November 1980)	M+13	M+30	NA

The new delivery schedule will allow the Department of Defense to offset with inductees about 100,000 individuals after the third month of mobilization who otherwise would have to be recruited and trained in peacetime.

MILITARY PAY STUDY

Senator EXON. In last year's authorization bill, Congress repealed the current military pay mechanism tying the increase in military pay to the average increase in Federal civilian pay for the current year and provided an increase of 11.7 percent. That law also requires a report by April 1, 1981 by the President regarding recommendations to change the adjustment mechanism for adjusting military pay.

What is the current status of that pay study?

Are you involved?

Who are the representatives on the study from OSD and the Military Services?

When do you expect that the results of that study will be available to Congress?

ANSWER. A joint OSD/Services group is presently studying the question of what the proper pay adjustment mechanism should be for military personnel. The study is being conducted under the overall direction of Major General R. Dean Tice, the Deputy Assistant Secretary of Defense for Military Personnel Policy. A Steering Committee composed of the OSD Director of Compensation and the Compensation Chiefs from each of the Services is providing day-to-day management of a working group consisting of one representative from OSD (Directorate of Compensation) and two representatives from the manpower and compensation sections of each of the Military Departments. I am involved with the study to the extent that I, along with senior officials from the Services, will review a draft study report, issue policy guidance as appropriate, and approve the final product. We expect to forward the results of the study to Congress by April 1, 1981.

REPEAL OF STATUTORY MENTAL CATEGORY RESTRICTIONS

Senator EXON. Mr. Stone, the list of legislative proposals presented in your statement have a somewhat negative tone. You suggest repealing mental category restrictions on new enlistees. What do you propose in lieu of these ceilings? Do you expect the numbers to increase above the levels now in present law?

ANSWER. We propose that the Congress, the Secretary of Defense and the Services make every effort to maximize the quality of military service recruits. We will continually review accession quality indicators and in-service performance to insure that our forces are manned with the numbers and kinds of people needed to maintain necessary force capability. We expect the Services to achieve their fiscal year 1981 objectives and stay under the congressional ceilings. I am not as confident about fiscal year 1982 and beyond under the more severe constraints. Enactment of our proposed increase in bonuses would be a major help to us. Even with the authority to pay bonuses of up to $10,000, however, the Army may be forced to accept recruiting shortages then, unless relief from the constraints is obtained.

CIVILIAN CEILINGS

Senator EXON. You suggest repeal of the ceiling on overall DOD civilians and repeal of the high grade civilian ceiling. What do you propose in lieu of these ceilings? In each area, do you expect the numbers to increase above the levels now in present law?

ANSWER. The fiscal restraints that Congress places on the operations and maintenance account will serve to limit the size of the civilian work force. No other restrictions are necessary.

The number of high grade civilians would increase because the Department is currently short of scientists, engineers, and managers, most of whom are high grades. The total civilian work force might increase slightly over that currently in the budget. However, fiscal constraints will preclude any sizeable increase.

DEPENDENTS OVERSEAS

Senator EXON. You suggest repeal of the ceiling on dependents overseas. What do you propose in lieu of the dependents overseas ceiling? Do you expect the numbers to increase above the levels now in present law?

ANSWER. The Department's position is that the ceiling should be rescinded and the Department allowed to continue to closely monitor the dependent overseas program to ensure that dependents are only allowed to travel to those areas where adequate support for them can be provided. We do not expect any appreciable increase in numbers over the present ceiling for the foreseeable future. Any increases that occur will most likely be the result of approved force structure changes during the coming years. The immediate problem with the ceiling is that it hampers effective administration of personnel assignments. In order to preclude the possibility of exceeding the ceiling by as little as 1 percent of the overall total, it will be necessary to establish full time monitoring teams within each Service and institute travel delays for many dependents being reassigned. The resultant expense and inconvenience will translate into a negative impact on readiness, morale, and retention.

LEGISLATIVE PROPOSALS

Senator EXON. You suggest repeal of the ceiling on flag and general officers. What do you propose in lieu of these ceilings? Do you expect the numbers to increase above the levels now in present law?

ANSWER. We propose that the currently mandated reduction from the present administrative ceiling of 1,119 general and flag officers to 1,073 be rescinded. The Department will continue at the current level of 1,119.

As I indicated in my statement, the fiscal year 1978 Military Authorization and Appropriations Act required that the Department reduce the number of general and flag officers by approximately six percent to a level of 1,073 by the end of fiscal year 1980 or to submit a report that justified the need for the positions. In compliance with this requirement, the Department took steps to initially reduce by two percent to a level of 1,119 at the end of fiscal year 1978. Simultaneously, the Department conducted a study of general and flag officer requirements and submitted a report to the Congress that recommended the remaining reduction be rescinded based on validation of existing requirements.

Apparently that report was considered an insufficient basis for rescission of the requirement to reduce. Subsequently, after dialogue between the Department and the Senate Armed Services Committee, the requirement was deferred by the Congress in the Military Authorization and Appropriation Act for fiscal year 1981 for one year with the stipulation that the Department would submit a report by March 1, 1981 which would (1) effect the reallocation of 24 general and flag officer billets among the Services on other than a "pro rata" basis; (2) recommend a legislative proposal to eliminate minimum grade requirements for general and flag officers established in law; and (3) establish a methodology for validating 25 percent of the general and flag officer resource to the Congress annually. Also, in its action on the Defense Office Personnel Management Act (DOPMA) late last year, the House Armed Services Committee added to the Senate's requirement by tasking the Department to include civilian senior executive service positions in the review process, and to submit a follow-on legislative proposal which would address these as well as other general and flag officer management requirements on a comprehensive basis.

The Department has submitted the required report which describes the reallocation and outlines the Department's plans to submit comprehensive general and flag officer legislation for consideration early next year. On that basis, and our commitment to follow through on this important effort, we requested that the arbitrary ceiling of 1,073 general and flag officers for end fiscal year 1981 be rescinded.

The current level of 1,119 general and flag officers on active duty is well within the 1,197 statutory authorization based on commissioned officer strength.

QUESTIONS SUBMITTED BY SENATOR HARRY F. BYRD, JR.

COST OF EARLY SEPARATION

Senator BYRD. What is the total cost—administrative, logistic, and supervisory—involved in the training, processing, and maintenance of those enlisted personnel who are separated from the services without having been assigned to a position where they contributed to the defense effort?

ANSWER. The average cost to recruit, process, train, and separate a first-term service member who has not contributed to the defense effort is approximately $10,000 per individual.

ENLISTED PROMOTIONS

Senator BYRD. What percentage of personnel who enlisted in the Services during fiscal year 1976 for a 3-year enlistment attained pay grades E4 and E5 during their enlistment period? What percentage of personnel who enlisted in fiscal 1976 for a 4-year enlistment attained pay grades E4 and E5 during their enlistment period?

ANSWER. The percentage of personnel enlisting during fiscal year 1976 who completed their initial enlistment and attained pay grades E4 and E5 by September 30, 1980, is shown in the following table:

	Fiscal year 1976			
	3-yr enlistees		4-yr enlistees	
	E-4	E-5	E-4	E-5
Army	64.5	20.3	46.1	46.8
Navy	(1)	(1)	41.7	38.2
Marine Corps	34.6	13.3	36.6	39.2
Air Force	(1)	(1)	62.4	[2] 4.3

[1] Initial enlistments in the regular component of the Navy and the Air Force are for a minimum period of 4 yr.

[2] Average time of promotion to E-5 in the Air Force is more than 5 yr of service.

At the end of fiscal year 1980, those 3-year enlistees who remained on active duty would have had additional time to attain higher grades. The grade attained by those service members at the end of their initial enlistment is not readily available. However, the following table reflects the grade attained by September 30, 1980 by personnel who entered in fiscal year 1977 for a 3-year enlistment.

Fiscal year 1977 3-year enlistees

E4:	
Army	42.8
Marine Corps	25.0
E5:	
Army	9.4
Marine Corps	7.1

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

ENLISTMENT STANDARD STUDY

Senator LEVIN. In the December 1980 study on enlistment standards, DOD for the first time issued a report which investigated whether possible correlations existed between measures of recruit quality in the Armed Forces, and possession of high school diploma or mental aptitude category. I understand the results are mixed. In terms of first-term promotions, isn't there little relationship between high school/non-high school graduates or Category III/Category IV personnel?

ANSWER. For first-term promotions, the differences between high school graduates and nongraduates were significant. In both the Army and Marine Corps examples, high school graduates had higher first-term promotion rates than nongraduates. In the case of the Army, however, a substantial number (74 percent of fiscal year 1977 nongraduate male recruits who completed three years of service but did not reenlist achieved E-4 during their term of enlistment; the figure for high school graduates was 88 percent.

We found little difference in the first-term promotion rates to E-4 between AFQT Category III and IV personnel of similar educational backgrounds in the Army and Marine Corps studies. Across all AFQT categories, however, individuals in the upper categories were more likely to be promoted to E-4 during their first-term of enlistment than those in the lower categories.

Only the study of Army enlistees considered first-term promotion to E-5. As might be expected, the study found that those with higher AFQT scores were more successful in achieving E-5 during their first enlistment, and high school graduates were promoted to E-5 more rapidly than nongraduates with the same AFQT scores.

Senator LEVIN. Isn't the same true of both attrition from skill training and eligibility for reenlistment?

Answer. The report shows that in a sample of 34 specialized Army skill training courses, there was a higher attrition rate (9 percent) for non-high school graduates than for high school graduates (6 percent). However, within each educational level, there was very little variation in attrition rates by AFQT category. It should be noted that most courses were not academically demanding. The Marine Corps study did not address training attrition by educational level.

The Army and Marine Corps studies contain similar conclusions on eligibility for reenlistment. In the Marine Corps study, high school graduate infantrymen had a higher probability of reenlistment than non-high school graduate infantrymen. Those in the upper AFQT categories were more likely to be recommended for reenlistment than those in the lower categories. There was little difference in the probability of reenlistment among Marine Category III and IV high school graduate infantrymen, but differences between non-high school graduates in Categories III and IV were apparent. In the Army, the reenlistment eligibility rate for high school graduates (76 percent) was somewhat higher than the nongraduate rate (70 percent). Within each educational group, the differences in eligibility rate by AFQT category were small.

Senator **Levin**. Isn't it also true that the test results indicate there is a correlation between mental aptitude category and performance on Skill Qualification Tests? Also that there is a correlation between non-high school graduates and high first-term attrition?

Answer. Yes, results show a definite relationship between AFQT scores and SQT scores in the Army. Those who scored higher on the AFQT when they enlisted, scored higher on the SQT after they were assigned to units. Across all AFQT categories, high school graduates tend to have slightly higher average SQT scores.

Both the Army and the Marine Corps studies indicate a strong correlation between non-high school graduates and high first-term attrition. In the Army, for example, across all AFQT categories, non-high school graduates experienced a first-term attrition rate about two times that of high school graduates.

Senator **Levin**. The results of this test could be read in several ways, couldn't they?

Answer. There are a number of conclusions to be drawn from the report. Overall, we believe the study shows that recruits who score in the lower AFQT categories make a useful contribution in the military services. While we understand the purpose behind the recently legislated constraints to improve the quality of military manpower, we believe the results of this study further support our position that the constraints are unnecessary. The military services already have well-established programs for eliminating those recruits who are not capable of becoming useful service members.

Senator **Levin**. Would you say that any of the above screens is more effective in terms of judging the quality of military personnel than any other?

Answer. Our study confirmed that high school graduates have a much greater chance of completing their enlistment than do non-high school graduates. High school graduates also performed far better than nongraduates in all of the job performance measures examined in the study.

But the military services cannot limit their accessions only to high school graduates and still meet their manpower requirements. The study also shows that nongraduates, even in the lower AFQT categories, can and do make a useful contribution in the military services.

EFFECT OF RECRUITING CONSTRAINTS ON ACTIVE RECRUITING

Senator **Levin**. Do the congressionally mandated limits hamper the flexibility of each Service to adjust to changes in manpower needs as well as changes in the labor market? Could this ultimately have a negative effect on our national security if any of the Services were unable to make needed adjustments to these conditions because of these statutory limits?—What skills would be most affected?

Answer. The congressionally mandated limits unnecessarily hamper Service flexibility. The major impact falls on the Army because it has the greatest recruiting challenge to stay within the constraints. In fiscal year 1982, the Army must enlist about 102,000 non-prior service males and females in AFQT Category I–III, about 34 percent more than 76,000 enlisted in fiscal year 1980. In fiscal year 1983, the Army requirement for non-prior service enlistments in Category

I–III will rise to approximately 113,000. That would be almost 50 percent above the fiscal year 1980 Army recruiting achievement. The Army may be forced to accept shortfalls, which would likely be felt most in the more difficult to fill combat arms skills. Such recruiting shortfalls could have a negative effect on national security.

ARMY SHORTFALLS WHILE DENYING ENLISTMENT TO CAPABLE PERFORMERS

Senator LEVIN. Do these artificial statutory limits run a serious risk of creating personnel shortfalls in the Army while denying enlistment to some individuals capable of satisfactory performance, as indicated by the study referred to earlier?

ANSWER. Yes, recruiting for fiscal year 1982 and subsequent years under the more stringent congressional constraints presents the most significant challenge to the Army. The statutory limits in those years may result in recruiting shortfalls while denying Army enlistment to some applicants who may be capable of satisfactory performance.

Senator LEVIN. According to the December 1980 study results, there is no significant difference in the scores achieved by Category IIIs and Category IVs on the Skill Qualification Test for infantrymen. Doesn't this indicate that Category IVs master basic infantry skills as easily as Category IIIs?

ANSWER. No. The December 1980 stuly does show differences in scores achieved by Category IIIs and Category IVs on the Army's Skill Qualification Test (SQT) for infantrymen, as shown below.

AFQT category and education level	Average SQT score	Pass rate (percent)
IIIA—High school	78	92
Non-high school	76	89
IIIB—High school	71	84
Non-high school	71	81
IV—High school	68	77

These results show the relationship between AFQT scores and SQT scores. Relatively more Category IIIA soldiers pass the SQT test than do Category IIIB, and more Category IIIB soldiers pass the test than do Category IV.

Senator LEVIN. How many personnel are in this skill Army-wide versus the numbers of people in the other skill areas used in the test?

ANSWER. For the skill areas in the report, the number of personnel Army-wide are shown below, as of September 30, 1980:

Army enlisted personnel in selected MOS

MOS number and title:	*Number*
11B Infantrymen	63, 208
11C Indirect fire infantryman	13, 053
12B Combat engineer	14, 648
13B Cannon crewman	24, 502
16P ADA short-range missile crewman	4, 641
62B Construction equipment repairer	4, 848
82C Field artillery surveyor	2, 994
91B Medical specialist	19, 346
95B Military police	25, 665
Total	172, 905

Senator LEVIN. If you limited Category IVs, wouldn't the Army be unable to recruit many potentially productive infantrymen?

ANSWER. Yes. The statutory limits on recruits enacted by the Congress last year could unnecessarily deny enlistment to many potentially productive infantrymen.

EFFECT OF DISCUSSIONS OF RECRUIT QUALITY ON MORALE

Senator LEVIN. It would seem that the emphasis on discussion of the low quality of recruits would tend to have a negative effect on morale. Wouldn't you agree? Have any specific effects been noted? Have the Services attempted to counter this? How?

Answer. We agree that service members might feel unappreciated because of recent public discussions about the low quality of today's recruits. However, the Military Services have advised us that they have not noted any decline in morale as a result of those discussions. While no new initiatives specifically intended to counter such a morale problem have been undertaken, we and the Services strongly believe that a comprehensive public campaign to enhance the status of young people now serving in the military is needed. Strong statements of support must come from both the Congress and the Department of Defense. Our youth must know they are doing important things for their country and that they are appreciated for their efforts.

INSURING RECRUIT QUALITY

Senator Levin. Could these statutory limits be modified to maintain a legal requirement, or club if you will, over the Army to meet certain recruit standards, while at the same time providing it with the flexibility it needs to enlist the numbers required in FY 1982 and beyond to accomplish its national security mission?

Answer. Yes, these limits could be relaxed to allow more flexibility. However, the Army as well as the other Services is as interested in maximizing recruit quality as the Congress. For example, upon adoption of the new Armed Services Vocational Aptitude Battery (ASVAB) in October 1980, all of the Services adopted operational entrance standards that precluded the enlistment of many applicants who would have been eligible during fiscal year 1980.

The problem with statutory standards is that they are fixed and inflexible. As a result they may bar potentially successful applicants from enlistment in skill areas in which the Services have unfilled requirements. This is too high a risk to run.

ARMY MOBILIZATION BASE

Senator Levin. During the debate on registration last year, it was contended that peacetime registration would not provide significant benefits because the Army's training base could not handle the increased flow of draftees it would provide much sooner than previously planned.

We have seen how DOD and the Army have continued to resolve their differences, but others such as the General Accounting Office pointed out that the Army also was ill-prepared to absorb such a number of draftees that quickly. The Army itself provided Congress with a list of many program and funding improvements needed and said that it still needed to inventory all its mobilization base deficiencies and propose other fixes.

The fiscal year 1982 Defense Annual Report states that the Army has made significant progress during the past year to improve its mobilization base. Could you tell us what specific actions were taken in this regard, what more remains to be accomplished and whether and which of these remaining actions are programed in the fiscal years 1982–86 Five Year Defense Program?

Answer. As pointed out in the fiscal year 1982 Defense Annual Report, the most significant progress in improving the Army's mobilization base has occurred through a series of detailed planning refinements, but additional improvement will be realized from funding initiatives programmed for the fiscal years 1982–86 Five Year Defense Program as well.

Planning refinements include:

Detailed identification of equipment and range requirements for emergency expansion of the training base.

Adjustment of projected post-mobilization training loads to match more nearly the capacities of units and installations (to be completed Summer 1981).

Progress in facilities planning. A good portion of the M to M plus 180 days Army construction planning requirement has been completed, with the objective of having on-shelf plans for the emergency construction necessary to expand the training base rapidly.

Review and adjustment of the Army's Mobilization Troop Basis Stationing Plan to improve ability of training centers to receive accelerated trainee inputs.

Funding initiatives provide for:

Rifles for trainees.

Essential individual clothing and equipment for trainees.

Initial design and survey work for emergency construction at training centers.

Additional training employees for development of mobilization instruction programs.

Senator LEVIN. What additional resources would be required over 5 years, and in the fiscal year 1981 supplemental, to improve this mobilization base, and on what specific actions would it be spent?

ANSWER. Additional resource requirements have not been identified for mobilization of the Army training base, but the analysis of training base preparations is continuing. As additional resource requirements are identified, they will be considered for inclusion in the appropriate Army program.

Senator LEVIN. Congress' focus has been on the Army's manpower mobilization needs because they are the greatest of all the Services. But could you tell us whether the manpower mobilization bases of the other Services are adequate for them to accomplish their wartime missions? If not, what actions and funding would be required in fiscal year 1981, and in fiscal years 1982–86, to remedy this situation?

ANSWER. The other Services do not expect any problems because they do not have a large influx of people to be trained at mobilization.

During exercise Proud Spirit, conducted last November, the Department of Defense collected data to evaluate the service mobilization training base capacities. This evaluation will not be complete until this spring. However, the initial data from the exercise suggests that the Air Force, Navy and Marine Corps will be able to accept and train all additional individuals (volunteers and/or inductees) expected during the early months of mobilization.

Senator LEVIN. The Army has informed us that its National Guard and Reserve forces grew by about 39,000 in manpower in fiscal year 1981. To what do you attribute this growth, and do you think such a trend will continue? When would you expect the Army to reach its goals for the Guard and Reserve forces, based on your expectations of improvements?

ANSWER. The growth can be attributed to the incentives for enlistment and retention in the Selected Reserve; options for enlistment and initial active duty training; a full-time professional recruiter force in each Reserve Component; enhanced recruiting advertising; an aggressive attrition management program; and the presence of only true volunteers in the Selected Reserve (not draft induced). It is fully expected that this trend will continue. Expectations for attainment of required trained wartime structure strength is programed for fiscal year 1986.

FULLY EQUIP SELECTIVE RESERVE UNITS

Senator LEVIN. Mr. Brinkerhoff states that one of your ultimate goals is to fully equip all Selected Reserve units.

How many of these reserve units lack all the equipment necessary to accomplish their wartime requirements?

How many lack the latest equipment?

What is your target date for fully equipping these units?

What is the rate at which you wish to accomplish this?

ANSWER. The number of Reserve units that have all the equipment necessary to accomplish their wartime requirements or lack the latest equipment is extremely difficult to quantify in an understandable manner. Such a tabulation would not accurately represent a true indication of wartime mission capability. In many cases the latest equipment is not necessary to perform wartime missions. However, we know that many units do not have adequate quantities of combat serviceable equipment to conduct wartime missions. Our goal is to equip all units with at least combat serviceable equipment over the 5-year program. We are taking steps so that our goals will be consistent with our overall objective.

TRAINING INSTRUCTORS

Senator LEVIN. There is an emphasis in both statements on increased training for both active duty and reserve personnel. Is it not true that some skills requiring the most careful and lengthy training are the so-called critical skills like aircraft maintenance technicians?

How do the Services plan to meet the increased requirements for training in these skills without placing even more serious strain on the availability of personnel equipped with these skills?

ANSWER. Yes, it is true that some of the skills requiring the most careful and lengthy training are skills like aircraft maintenance technicians. The Services face the problem of meeting competing requirements in every skill in which there are non-commissioned officers (NCO) shortages. However, the investment of qualified NCOs as instructors is necessary over other competing requirements as new people must be trained to correct skill shortages.

ARMY MOBILIZATION BASE

Senator LEVIN. Earlier this year, I was informed that DOD and the Army still disagree as to how many draftees the Army's training base could process during the first month of a wartime mobilization under emergency expansion conditions. I was informed that originally the Army contended it could process 133,000 individuals that month, and DOD said that it could only be about 80,000. While the differences have narrowed, by how many are the Army and DOD still in disagreement, and what are the causes of this continued difference?

ANSWER. The Army has the Active and Reserve component training structure to accommodate an input capacity of 133,000 during the first month following mobilization. However, equipment and ammunition limit the input capacity to 83,000 during the first month. Both the Army and the Department of Defense agree on these numbers.

Senator JEPSEN. Thank you.

Thank you, General, and Dr. Martin.

The committee is adjourned.

[Whereupon, at 4:40 p.m., the meeting of the subcommittee was adjourned, subject to call of the Chair.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

THURSDAY, FEBRUARY 26, 1981

U.S. Senate,
Subcommittee on Manpower and Personnel,
Committee on Armed Services,
Washington, D.C.

U.S. ARMY TOTAL MANPOWER

The subcommittee met in open session pursuant to notice, at 8 a.m., in room 224, Russell Senate Office Building, Senator Roger W. Jepsen, chairman presiding.

Present: Senators Jepsen, Quayle, Stennis, Exon, and Levin.

Staff present: Paul C. Besozzi, counsel; Francis J. Sullivan, Michael B. Donley, Ronald F. Lehman, George F. Travers, Anthony J. Principi, professional staff members; Richard D. Finn, Jr., Ralph O. White, research assistants; and Jacquie S. O'Grady, clerical assistant.

Also present: Jim Dykstra, assistant to Senator Cohen; Hermann Pirchner, assistant to Senator Jepsen; Bill Furniss, assistant to Senator Quayle; Jon A. Schreiber, assistant to Senator Denton; Gray Armistead, assistant to Senator Byrd; Greg Pallas, assistant to Senator Exon; Gail Stephens, assistant to Senator Levin; and Paul Schrieber, assistant to Senator Denton.

OPENING STATEMENT BY SENATOR ROGER JEPSEN, CHAIRMAN

Senator Jepsen. The committee will be in order.

Gentlemen, we appreciate your appearing here for this Subcommittee on Manpower and Personnel's hearing on the Army's total force requirements. The Subcommittee on Manpower and Personnel meets today to receive testimony on the Army Manpower request in the fiscal year 1981 Supplemental and the fiscal year 1982 Authorization Requests.

Today's hearing offers the subcommittee members an opportunity to examine Army requirements in greater detail than was possible in our first hearing on All-Voluneer Force requirements and trends.

I believe that a consensus finally exists that our worsening military posture has largely resulted from our worsening manpower problems. No service has suffered more from those personnel problems than the U.S. Army.

In terms of aggregate numbers, Army recruitment seems to have recovered from the disastrous levels of fiscal year 1979. The Army did achieve its total numerical recruiting objective in fiscal year 1980 and 99 percent of its goal in the first quarter of fiscal year 1981. Although these results are encouraging, they can be considered only preliminary in light of the shrinking marketplace in which the Army will have to compete.

It is projected that the number of men reaching prime military age each year will decline 20 percent during the 1980's. Moreover, total recruiting costs have already doubled since 1979 to almost $1 billion. In light of these statistics, we have to ask how much it will cost to meet our quantitative and qualitative goals in the years ahead.

DROP IN RECRUITING QUALITY

An even more compelling reason for caution in evaluating recent Army recruiting is the nagging problem of quality. The Army has admitted that it was able to achieve its fiscal year 1980 recruiting goals only by accepting a large proportion of men and women without high-school diplomas. In addition, more than one-half of the fiscal year 1980 recruits tested were in category IV. Although it is the high percentage of category IV accession that could actually cause statutory problems, I am just as concerned with the Army's failure to recruit more high-school graduates.

Commanders in the field have repeatedly told me that an individual who perseveres in obtaining a high-school degree is likely to exhibit the same persistence in completing his military responsibilities and tour of duty.

On the bottom line, I might add—and we have talked about testing and testing techniques and testing validity and testing reliability and all of this—in the conversations I have had, this last statement is the one that I guess is about the only one that everyone agrees on; that is, high-school graduates who persevere to get a high-school diploma, or where the degree is likely, that they will exhibit some additional, or the same, persistence in completing their military responsibilities. There is nothing wrong with that. It is just a general observation. It kind of speaks to what many of us over the years have known for a long time, and that is, when you deal with testing, at the very best you have to say, "According to the results of this test, the likelihood . . ." and then you go from there.

As long as we are unsure of the caliber of Army recruits, we have to continue to focus our attention on measures that would improve manpower quality.

Conceptual and measurement difficulties make the quality problem even more difficult to grasp and remedy. The definition of a "good soldier" is far from precise. An excellent example of this difficulty is the miscalibration of the scoring tables on the Armed Forces enlistment tests. From 1976 to 1980 the services enlisted recruits who would have been rejected because of low test scores if the tests had been correctly calibrated.

We now find that the majority of the recruits who would have been rejected have successfully completed their enlistment. Even more surprising is the fact that 76 percent of those who finished their first term achieved grade E-4 or E-5. Therefore, it seems to me that the current enlistment tests are only of some uncertain value in predicting job performance.

RECOGNIZING ARMY'S MANPOWER PROBLEMS

As I said earlier, I think that everyone finally recognizes the seriousness of the Army's manpower problems. I know that this subcommittee is more than ready—it is eager—to provide the Army and the other services with the tools necessary to build a better military. The last Congress made some great improvements in personnel compensation and management. This subcommittee is committed to continuing that good work.

I was pleased to meet and now welcome to the subcommittee Mr. William Clark, the Acting Assistant Secretary of the Army for Manpower and Reserve Affairs, and Lt. Gen. Robert Yerks, the Deputy Chief of Staff for Personnel. Both gentlemen have been very helpful in past appearances, and we look forward to the same candid testimony that we have received before.

We also like to recognize Maj. Gen. William Berkman, Chief of the Army Reserve, and Brig. Gen. Herbert Temple, Deputy Director of the Army National Guard.

We are looking forward to your testimony, which will be very valuable to this subcommittee's continuing effort to assess the strength—as I indicated after we said hello this morning—of the total force concept. I think we have to look at that and approach all of our manpower problems and, in fact, all of our national defense and military problems, but most particularly manpower, on a total force concept.

We have to start talking about careers and evaluate and make recommendations and do research on the basis of the total career. That is what we are talking about, to provide an All-Volunteer Force, a force that can do the things that need to be done in the event they are ever called on in the event of mobilization.

I thank you for coming out this early, and you may proceed, Mr. Clark.

STATEMENT OF HON. WILLIAM D. CLARK, ACTING ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS), ACCOMPANIED BY LT. GEN. ROBERT G. YERKS, USA, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY; MAJ. GEN. WILLIAM R. BERKMAN, USA, CHIEF, U.S. ARMY RESERVE; AND BRIG. GEN. HERBERT R. TEMPLE, USA, DEPUTY DIRECTOR, U.S. ARMY NATIONAL GUARD

Mr. **Clark**. Mr. Chairman, I have a longer record version of my statement which I would like to submit for the record; and if it pleases you, I would like to summarize that in a few minutes.

Senator **Jepsen**. Your statement will be entered in the record as if it had been read.

[Prepared statement of Mr. Clark follows:]

PREPARED STATEMENT BY WILLIAM D. CLARK, ACTING ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS)

SECTION I—INTRODUCTION

Mr. Chairman and Members of the Subcommittee, I am very pleased to have the opportunity to discuss with you the people of your Army and the Army's personnel requirements for fiscal year 1982.

There have been over two centuries of partnership between Congress and the Army in building the kind of force the Nation needs. I assure you that I will take what steps I can to see that this rapport and the building continue, because I am convinced that it is only through complete cooperation and understanding that we can discharge our joint responsibilities.

The Army and its strength is people. Many of our wisest civilian leaders, soldiers, and scholars long have known that the worth and effectiveness of armed forces rests above all on the people who wear the uniforms, stand the watches, keep the peace and, when called upon, fight the battles.

When I speak of the Army's people, I speak of the soldier, male and female, active and reserve, and the civilian employees who comprise the Total Army. Each has its own roles, problems, and needs. Each brings special values and strengths required in an effective Total Army. All together, these three elements comprise the United States Army. To illustrate these special values and strengths, the reserve force constitutes over one half of the Army's total deploying force: 53 percent of Combat Forces, 55 percent of Combat Support, and 60 percent of Combat Service Support.

Major challenges face us in the years ahead in the people area. The Army must recruit and retain sufficient numbers of capable soldiers for the Active and Reserve Components and do so in an environment of increased competition for manpower. The Army must compete for a larger share of the available market of young men and women and must provide an adequate quality of life for its soldiers and their dependents. Our civilian employees must be convinced of popular support and they deserve to be. We have a substantial requirement for dedicated and trained civilian employees. While the Army is reasonably able to compete with the private sector for sufficient numbers of capable civilian personnel, it must be recognized that arbitrary, non-workload related reductions often result in losses of critical skills which are difficult to obtain initially and expensive to regain. We have passed the point where further arbitrary reductions can be accommodated by increasing efficiency. We cannot expect our declining work force to continue its high level of performance with no reduction in work load or mission. The civilian level of effort is stretched thin. Our civilian employees are entitled to expect jobs which offer them responsibility, security, adequate compensation, equal opportunity, and professional growth.

Successful recruiting and retention remain key elements in manning the force. In fiscal year 1980, the active Army met its quantitative recruiting objective, improving manning of the force; however, there was a shortfall in the qualitative resulting in increased attrition rates in training and in units. The male high school graduate achievement was 13,000 below our objective and we continued to fail to recruit a proportionate number of recruits with high test scores. The Army, because of the nature of its mission must have a competitive edge over its competitors for manpower. We need your support in providing us that competitive edge. What success we did have is attributed to the increased emphasis by the Recruiting Command and the increased resources provided by the Congress.

With the help of the Congress, the strength of the Army National Guard and Reserve has taken an upward turn during the last two years. The combined unit strength of the Army National Guard (ARNG) and Army Reserve (USAR) rose from 527,000 (ARNG 341,000; USAR 186,000) at the end of fiscal year 1978 to 574,000 (ARNG 367,000; USAR 207,000) by the end of fiscal year 1980, an increase of 47,000. Even though we recruited more than 156,000 people during fiscal year 1980, we are still more than 115,000 below our unit peacetime objective strength of 689,300. I believe the results of the last two years demonstrate that we can recruit most of the people we need but it is also clear that we have not been effective in retaining the people we recruit. Last year we lost more than 120,000 people. Well over half of them left their units prior to completing the enlistment or reenlistment term of service for which they contracted.

While our fiscal year 1982 total recruiting objective of about 156,000 is within reach, much more needs to be done to improve our rate of retention. We will work harder on this.

In the event of war we will need a pool of trained people to fill unit shortages and to replace casualties during the early stages of a war. The majority of trained fillers we need must come from the Individual Ready Reserve (IRR). As of end fiscal year 1980, we had slightly over 205,000 trained people in the IRR. With the application of the new IRR bonus and improved management, we expect to increase the IRR strength to 255,500 by end fiscal year 1982. Notwithstanding fiscal year 1982 increases (unit and IRR), we will still need approximately 200,000 more people to satisfy the manpower requirements of a major war in NATO—primarily casualty replacements until the draft can provide the trained people we need.

Recruiting quality people to meet authorized military strength levels is one element in sustaining the force. The other element is retaining in the right skills capable soldiers already recruited. In fiscal year 1980, the active Army reenlisted the largest number of soldiers since the inception of the All-Volunteer Army. In spite of aggregate achievements however, the active Army must reverse the decline in retention of mid-career soldiers and solve critical skill shortfalls. The Fair Benefits Package and the Nunn-Warner incentives recently approved by the Congress should help in resolving this issue, but, in themselves, are not enough. The Army will continue to focus on these problems during the remainder of fiscal year 1981 and into fiscal year 1982 by putting more management emphasis and resources on retaining skilled and trained soldiers in the numbers, skills, grades and year groups to meet Army career force needs. Retention of Reserve Component soldiers reaching the reenlistment eligibility window remains high. In fiscal year 1980, the National Guard and Army Reserve were successful in achieving their first term reenlistment goals and we will continue to emphasize the retention of trained Guard and Reserve personnel.

The combination of Active and Reserve Components and civilian support forces in a balanced force that realizes the maximum combat potential from allotted resources make up the Total Force. The three elements of this force are critical to the successful support and operations of each other. Each element is a co-equal partner in providing an Army for which the Nation can be proud.

For fiscal year 1982, we are requesting the strength authorization for the Total Army as shown below:

	End strength	Average strength
Active Army	786,300	
Army National Guard		392,800
Full-time active duty [1]	(11,439)	
Army Reserve		230,300
Full-time active duty [1]	(6,285)	
Civilian (direct and indirect hire)	359,916	

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[1] Within the average strengths requested for the 2 components. Reserve component members on full-time active duty for the purpose of organizing, administering, recruiting, instructing, or training the Reserve components.

SECTION II—MANNING THE FORCE

The Army is primarily a people-oriented service: The Army's major weapon system is the soldier. Therefore, force readiness begins with people readiness; people to use the equipment on the battlefield—the uniformed soldier—and people to provide support and service to the uniformed soldier—the civilian work force. Our goal is to achieve the required quantity of capable personnel—Active, Army National Guard, Army Reserve, Civilian—for the force and to distribute these personnel to obtain maxinum readiness.

The major challenges facing the Army are to recruit, retain, and manage the soldiers we need to man the Active and Reserve Components and maintain adequate numbers of dedicated, motivated and properly trained civilian men and women who are capable of performing the tasks the Army needs.

The declining strength of our civilian work force continues to be a source of particular concern for the future as well as today. We must arrest and if possible, reverse the dangerous trend that is eroding one of the pillars of the total force. Civilian manpower is of critical importance to Army readiness and sustainability. Continued reductions in civilian strength has put the Army in a position where we can no longer do more with less. The Army is already seriously crippled by a long history of reduced civilian manpower. Civilian manpower reductions now cause curtailment or delay in providing essential support and require diversions of soldiers from their primary unit tasks to perform support functions, neither of which is satisfactory-both have an adverse effect on force readiness and cost effectiveness.

The strength authorizations, the incentives, and the initiatives we are requesting for all Components of the Army in this Budget Request, together with dedicated leadership, will help in providing the kind of an Army this Nation needs.

Active Army enlisted procurement program

Active Army Enlistment Procurement Program.—In Fiscal Year 1980, the Army achieved its total numerical recruiting objective. However, it did not meet its male high school diploma graduate objective and female objective. Additionally, because of a misnormed enlistment test, a significantly higher number of people who scored 31 or above on the Armed Forces Qualification Test (AFQT) would have scored below 31 on a properly normed test. Thus, the Army enlisted more personnel below the 31 score than planned.

Fiscal Year 1981 will be a challenging year for Army recruiters because the Army wants to recruit more high scoring high school diploma graduates. These individuals have the greatest probability of performing effectively in the force and feeding the NCO Corps of the future. It is a fact that the recruiting market is shrinking, and the Army believes that, above all, resources are the key to achieving our recruiting objectives. We believe we have submitted a balanced package of necessary recruiting resources which, if provided, will allow our recruiters to accomplish their tough job. Additionally, as the Army stated last year, fundamental to the long term future of the Volunteer force is the need to expand a national spirit within which Army service is viewed as a meaningful, valued, productive endeavor for our young people.

Recruiting Objectives.—For both fiscal year 1981 and 1982 the Army has expressed its High School Diploma Graduate (HSDG) male and female objective in numbers rather than percent to insure improvement independent of the total objective. We plan to enlist 96,000 HSDG in fiscal year 1981 and fiscal year 1982. We have set this objective to reduce attrition—the attrition rate of HSDG from the Army is about one-half the non-high school diploma graduate (NHSDG) rate. In fiscal year 1981 the Army is to recruit 70 percent of its nonprior service (NPS) accessions from individuals who score above 30 on the Verbal Math Test. We do this for trainability reasons and to insure an adequate flow of above average people into the career force supervisory positions. The objectives for fiscal year 1981 and fiscal year 1982 are as follows:

	Fiscal year (in thousands)—	
	1981	1982
Nonprior service:		
Men	102.8	110.2
Women	24.6	25.6
Prior service	18.0	17.0
Total	145.4	152.8
HSDG:		
Men	75.0	75.0
Women	21.0	21.0
Verbal math 16–31 ceiling (percent):		
Men	30	25
Women	30	25

Recruiting Resources.—To achieve our fiscal year 1982 recruiting objectives the Army will need $498.6 million in a balanced package of resources. I must note that this figure cannot be compared to the "Big Six" we have reported in the past because at the Congress's direction, four additional categories have been added and the composition of some categories has changed.

	Millions
Military pay [1]	$150. 6
Civilian pay	22. 3
Enlistment bonus	89. 0
Advertising	73. 3
Recruiter aide support [2]	20. 9
Recruiter support	93. 7
HQ support (ADF) [3]	5. 8
Communications	18. 8
Training	4. 3
Facilities [4]	19. 9
Total	498. 6

[1] Includes pay for recruiters and recruiter aides.

[2] Includes travel and TDY.

[3] Includes request/enlisted training attrition management system requirement.

[4] Includes leased recruiting stations. Does not include examining stations.

The U.S. Army Recruiting Command (USAREC), although made-up of a mix of military and civilian personnel, is not unlike any large corporation. There is a product to sell—service in the U.S. Army—and a market—our potential soldiers and their influencers—which must be convinced that our product is worthwhile. We must have salespeople, advertising, visual aides, cars, and other support items to assist the salespeople (recruiters) in selling the Army. Unfortunately, when trying to predict human behavior, the Army—again like any large corporation—cannot be precise. We know that a balanced package of resources is needed. For example, the recruiter cannot reach enough prospects without advertising. Without a vehicle, the recruiter cannot visit the prospects attracted through advertising. However, predicting exactly how much of each type of recruiting resource will accomplish the recruiting mission is just impossible. For that reason the Army must have the flexibility to shift recruiting resources rapidly when shifts in the market become evident. In the fiscal year 1981 Appropriations Act, the Congress relaxed, somewhat, the very tight reins they held on the Army's recruiting resources. We request additional flexibility in managing fiscal year 1982 resources. The Army seeks authority to expand recruiting resources within the total appropriated in the manner deemed appropriate by the Army to be best as the recruiting year progresses without having to gain prior congressional approval for shifting of resources between recruiting programs. Such authority would alleviate the long delays and tremendous administrative burden in obtaining simple reprograming authority.

Military and Civilian Pay, the Recruiter Force.—To accomplish the mission of improving the recruiting of high school graduates, the size of the recruiter force is an important element. More time and effort are required to recruit in this market because high school seniors (HSSR) and graduates are the youth with the least propensity to enlist, and are the most heavily recruited by other Services, colleges and employers. The budget for fiscal year 1982 will maintain USAREC production recruiter strength at the same level as it was in the fiscal year 1981 budget.

To accomplish the mission outlined earlier, the Recruiting Command is requesting a permanent party of 8,988 military and 1,133 civilian personnel for fiscal year 1982. Of the military personnel, 5,849 are field recruiters and 251 are professional development noncommissioned officers. The remaining personnel provide the necessary leadership, management, and support functions. The Army has placed great emphasis on maintaining at 100 percent of authorized strength, the field recruiter force who must "close the deal" with the potential enlistee. Keeping the dedicated recruiting force up to strength continues to be a difficult task because these people must work long and hard to achieve their missions.

Recruiter Support.—More so than in past years, because of the reduced recruiting market, congressional constraints and the Army's objective to enlist more high scoring high school diploma graduates, the Recruiting Command will require increased resources in fiscal year 1982 to support and enhance the active recruiting structure. The resources to support the recruiting force include travel funds, operating equipment, supplies, transportation, training, and exhibits. In addition, we must make a significant capital investment in the USAREC infrastructure in terms of a recruiter sales management system in order to prepare for the difficult years ahead.

The items for which resources are requested in this budget provide critical tools and support to the recruiting effort and are directly related to the increased production recruiters and the operation of the field recruiting activities. They represent necessary "tools of the trade" without which it would be impossible for the recruiter force to accomplish their missions.

Recruiter Aides.—Because the Army must recruit 96,000 high school graduates in fiscal year 1982, the Recruiter Aide program takes on an added importance. Personal indorsements are one of the most effective ways of interesting an individual in a product or service. The Army uses this method in its recruiting effort through the Recruiter Aide program. The Army identifies dedicated young soldiers during their initial training or early in their first unit assignment and sends them on a voluntary basis back to their home town to assist recruiters in their effort to recruit for the Army. The normal duration of this assignment is 30 days. The aides help the recruiting effort by relating their honest experiences of Army training to friends, schoolmates, teachers, parents and community leaders. Since they know the type of individual the Army needs, and they know personally the target audience, they can uniquely seek out, influence and bring to the recruiter good potential enlistees.

The Recruiter Aide program is especially effective because it can be started on short notice and focused on specific Army requirements (high school diploma market, hard to recruit skills, geographic area). The recruiter aides need support from other recruiting programs, such as advertising and the enlistment bonus, to be fully effective. Resources for recruiter aides were increased substantially in the fiscal year 1981 Budget and are maintained at the same level in fiscal year 1982 Budget because of the increased effort to recruit more HSDGs. We plan on using an average sustained level of 1,435 aides per month.

Advertising.—The primary purpose of advertising is to make people aware of what the Army offers and encourage those qualified to consider joining the Army. Simply put, we want to increase leads and visits to the recruiting stations by those youth who are trainable and retainable. We are especially concerned that we communicate effectively with the high school seniors and HSDG who score above 50 on the entry test. This requires a thorough, accurate picture which communicates opportunities for technological skill training, other job related training, education benefits, personal growth and patriotism. We are testing improvements in the Army and congressional initiatives on education assistance. We are also experimenting with the 2-year enlistment option and expanded bonuses. All of these initiatives are designed to increase traffic from among youth who in recent years have chosen not to serve We want them to know they can serve themselves while they serve the country and gain the chance to learn of and realize their potential.

To continue the numerically successful recruiting of fiscal year 1980 trends and adhere to congressional constraints, we must have continuity in our advertising effort in fiscal years 1981 and 1982. Advertising messages must be seen and heard repeatedly by our audience. Not only must we raise the knowledge level of Army offers, but the message is perishable and must be reinforced.

We believe that advertising is an efficient and cost-effective tool in accomplishing its support in the recruiting process. Reaching prospects and their influencers takes a wide range of messages delivered from a variety of media, on both a national and local basis.

Army Enlistment Bonus Program.—Despite the wide range of enlistment options available, we continue to have difficulty attracting and retaining substantial numbers of soldiers in all the skills the Army needs. The enlistment bonus is the principal accession management tool that is available to insure that each skill area, especially the combat arms and hard-to-fill skills, receive adequate numbers of enlistees and a proportional hard-to-fill skills, receives adequate numbers of enlistees and proportional share of high school diploma graduates. We are requesting $89.0 million in the fiscal year 1982 Budget for enlistment bonuses.

One area which we may be needing help is in extending the enlistment bonus to 3-year enlistees in critical skills. To an 18 year old, four years is a big part of his life. We believe reducing the requirement to three years may improve recruting significantly.

Educational Incentive.—Public Law 94–502 established the Veterans Educational Assistance Program (VEAP) to supercede the GI Bill. VEAP is a contributory education incentive designed to increase accessions and retention. As an education incentive for accessions, the basic VEAP was in no way competitive with the many alternate methods available outside of the military for funding a college education. A motivated young person could readily obtain the financial equivalent of a GI Bill without ever having to be a GI. To make VEAP more attractive, the Army, with the approval of the Secretary of Defense, has continued to adjust the dollar value of the VEAP incentive. In the present education assistance test, we are testing in 18 percent of the country a VEAP incentive that allows to accumulate up to $15,200 for 2-year enlistment and $20,100 for 3-and 4-year enlistments. The testing of the ultra VEAP began on 1 October 1980. It is still too early to report results. The result will be compared with the relative attractiveness of other education incentives, "mini" GI Bill and non-contributory VEAP in other parts of the country. We have about $10.6 million in the fiscal year 1982 Budget to support the VEAP "kicker" program.

Reserve component enlisted procurement plan

During fiscal year 1980, the Reserve Components achieved an increase in strength. While the strength increases were modest, we are encouraged by the prospects offered by the incentives and programs we now have. Enhancement to these initiatives and programs should result in additional increases in the future. The management of over three quarters of a million unit and individual members of the Reserve Components is complex and challenging and involves the participation by and support of the Congress, the Army, state and local governments and equally important, the Nation's employers.

The men and women who fill the ranks of the Reserve Components must be convinced of the support they rightfully deserve. They must believe that their contribution to the security of this Nation is understood and appreciated. This budget aims resources and programs to enhance the effectiveness of the Reserve Components to perform their mission and to improve the welfare of the people who fill the ranks of the units.

Recruiting Objectives.—The table below shows our fiscal year 1980 results and what is reflected in the fiscal year 1982 Budget for fiscal year 1981 and 1982 for the Army National Guard and the Army Reserve.

	Fiscal year—		
	1980 (actual)	1981	1982
Army National Guard:			
Nonprior service:			
Males	45,484	45,100	44,000
Females	4,830	5,500	5,500
Total	50,314	50,600	49,500
Nonprior service total	50,314	50,600	49,500
Prior service *[1]	43,672	41,379	43,300
Total	93,986	91,979	92,800
High school graduate Nonprior service (percent)	61.0	[2] 60	[2] 60
Test category IV (percent)	10.1	[3] 35	[3] 35
U.S. Army Reserve:			
Nonprior service:			
Males	17,509	20,076	20,076
Females	8,430	7,423	7,423
Nonprior service total	25,939	27,499	27,499
Prior service*[1]	33,509	33,463	34,097
Total	59,448	60,964	61,596
High school graduate Nonprior service	54.0	[2] 60	[2] 65
Test category IV (percent)	16.6	[3] 35	[3] 30

[1] Excludes full-time active duty.

[2] Department of Army goal.

[3] Ceiling. Applied separately for males and females.

Note: The prior service market will continue as a major source of accessions in the Reserve components.

Reserve component recruiting resources

Displayed below is the package of resources we are requesting in the fiscal year 1982 Budget to enable us to meet our objectives:

FISCAL YEAR 1982

[Dollar amounts in millions]

	ARNG	USAR
Military pay	$42.7	$30.4
Civilian pay	2.1	6.3
Enlistment incentives	24.5	13.5
Advertising	6.0	14.2
Recruiter aide support	2.4	1.1
Recruiter support	7.8	20.7
Headquarters support (ADP)	.2	
Communications	2.0	
Training	2.0	.9
Facilities		
Total	89.7	87.1

Recruiter Force, Military and Civilian.—Requirements to bring the strength up to desired and required levels have placed a heavy production demand on the recruiter force. This is an extremely important element of our force and your support is needed to achieve the recruiting force necessary to attain the paid drill strengths requested in the fiscal year 1982 Budget. For fiscal year 1982, the ARNG is requesting a total recruiting force of 2,071 of whom 1,593 are production recruiters. For fiscal year 1982, the USAR is requesting a recruiter force of 1,735 of whom 1,565 are production recruiters. The USAR provided 25 spaces to the Army Surgeon General for use in establishing an Army Medical Department professional procurement program during fiscal year 1980.

In the Reserve Components, a demand is placed on unit commanders and unit members to assist in the recruiting effort. This is accomplished by giving referrals to the recruiting force and by their personal contacts in the civilian community.

Enlistment Program.—The enlistment bonus experience in fiscal year 1980 for both the Army National Guard and Army Reserve was encouraging. There were 11,740 bonus takers in the ARNG and 5,976 in the USAR. The educational assistance incentive was not enthusiastically received in fiscal year 1980. There were 222 recipients in the ARNG and 274 in the USAR.

Enlistment incentives for the Selected Reserve have been offered since December 1978. A choice between an enlistment bonus of $1,500 or educational assistance of up to $1,000 per year to a maximum of $4,000 total can be selected by qualified enlistees who have critical skills or join high priority selected Reserve units. Today over one-half of the Army's Reserve Component units can offer these incentives.

We have provided a variety of enlistment options for the Reserve Components which permits an individual the opportunity to serve a portion of his or her obligation in a Selected Reserve unit and the remainder in the Individual Ready Reserve (IRR) or Inactive National Guard (ING).

3 years Unit/3 years IRR/ING
4 years Unit/2 years IRR/ING
5 years Unit/1 year IRR/ING
6 year Unit/0 years IRR
0 years Unit/6 years IRR

For those electing to serve 6 years in Reserve units, the split-training option is offered Reservists. Split-training provides students and seasonal workers the opportunity to complete their Inactive Duty for Training (IADT) by performing Basic Training (BT) and Advanced Individual Training (AIT) at separate times, primarily during off-season periods of their civilian schooling or occupation. This option has opened the doors to potential recruits who otherwise would not enlist because of educational or occupational conflicts. During fiscal year 1980, 7,999 Reserve Component members enlisted for this option.

Enlistment Bonuses.—A qualified individual may, upon enlisting for six years in a high priority unit, elect the enlistment bonus incentive. That individual will receive:

$750 paid upon successful completion of AIT
$200 paid at end of second satisfactory year
$200 paid at end of third satisfactory year
$350 paid at end of fourth satisfactory year

Or, the individual may select educational assistance, receiving up to $1,000 per year in college tuition. The total may not exceed $4,000 for four years. To be eligible, the individual must fulfill the requirements or satisfactory participation in a Selected Reserve Component unit.

Active Army retention program

In fiscal year 1980 the active Army achieved aggregate reenlistment objectives and by doing so, contributed to desired growth in the "over 3" career content. By end fiscal year 1980, the strength of the career force reached 330 thousand, an increase of about 10,000 over the previous year. In spite of these achievements and reversal of the five year decline in mid-career reenlistment rates, critical shortages of middle and senior grade NCOs continue to exist in combat arms, intelligence, and other highly specialized technical skills. As indicated in the following table by the higher rates required, achievement of total reenlistment requirements in fiscal year 1981 and fiscal year 1982 are more difficult, but achievable.

	Fiscal year—			
	1979 (actual)	1980 (actual)	1981	1982
First term:				
Objective	22, 920	22, 234	20, 000	22, 100
Achieved	26, 528	25, 028		
Percent achieved	115. 7	112. 6		
Percent eligibles	43. 0	50. 6	54	55
Career:				
Objective	55, 170	57, 470	61, 600	63, 700
Achieved	54, 204	57, 158		
Percent achieved	98. 2	99. 5		
Percent eligibles	66. 4	69. 4	71	71

In fiscal years 1981 and 1982, the Army will continue to shift management emphasis and tailor resources to improve retention of experienced middle and senior grade NCOs in critical skills. In line with this shift, the reenlistment objective system has been revised to focus on retention of mid-grade soldiers (objective added for careerists with us to 10 years of service) and soldiers nearing Expiration of Term of Service (ETS) (objective reflects need for retention of soldiers in the reenlistment eligibility window—6 months to ETS for initial termers and 3 months to ETS for careerists). The following table presents fiscal year 1981 objectives and year to date achievement under the new objective system.

	Fiscal year 1981 total, objective	YTD through December 1980		
		Objective	Achieved	Percent achieved
Initial term	27, 500	6, 650	6, 911	103. 9
Midterm	19, 700	4, 707	4, 880	103. 7
Career	14, 300	3, 846	4, 314	112. 2
Total	61, 500	15, 203	16, 105	105. 9

Major active Army reenlistment initiatives for fiscal year 1981 and 1982 are described below.

The Selective Reenlistment Bonus (SRB) Program is absolutely essential to insure reenlistments in skills where retention levels are insufficient to man the career force. In fiscal year 1981, the Army was provided the authority to increase the maximum SRB payment from $12,000 to $16,000 and to pay SRB to soldiers in critical skills with 10 to 14 years of service. Fiscal year 1981 MPA Appropriation contains $124.6 million for new payments, of which a large portion is slated for careerists in combat arms, intelligence, and other critical skills. Included in this total is an additional $25 million which was provided by Congress to further assist in mid-career retention. In fiscal year 1982 $122.6 million is budgeted for new SRB payments. An additional $25 million is required to continue emphasis on retention of combat arms NCOs.

Retain, the Army's automated reenlistment and assignment reservation system, provides reenlistment NCOs with immediate information critical to their efforts in matching soldiers reenlistment desires against the needs of the Army. In fiscal year 1980, 27 Retain terminals were provided to Europe, 1 to Panama and 1 to Korea. Overseas expansion continues in fiscal year 1981 with additional terminals to Korea. This will provide these overseas locations with the same quick response to soldiers' queries that CONUS, Alaska and Europe now enjoy. Retain costs are $3.4 million in fiscal year 1981 and $2.9 million in fiscal year 1982.

Based on success of the highly popular Conus-to-Conus reenlistment option for first term soldiers (over 5,000 reenlistments in fiscal year 1980), a pilot program was initiated on 1 November 1980 which permits careerists in the rank of E–6 and below to reenlist for selected CONUS installations with 12 months stabilization. This will assist to improve retention of the mid-grade careerist.

The nucleus of the reenlistment operation is the reenlistment NCO. In fiscal ~~year 1981~~ the number of reenlistment NCOs is being increased by 250 to place a full-time professional NCO in the majority of the Army battalion size units. Total reenlistment NCO authorizations will reach 967 by end fiscal year 1981.

Effective January 1981 active Army units began the mission to advise and inform separating soldiers about Army National Guard and Army Reserve service opportunities. Previously, mandatory orientation briefings on Reserve Component options were conducted principally at separation-transfer points. In-service recruiters have been directed to work more closely with units to strengthen the linkage between active Army service and reserve unit service. In-service recruiters are full-time active duty Guard and Reserve senior NCOs. They refer, transfer, or enlist separating soldiers into drilling units of the Reserve Components and make referrals back to the reenlistment counselors.

Reserve component retention program

Continually more emphasis is being placed on retention. Reserve Component reenlistment goals are set to enhance strength maintenance, consistent with career progression objectives and force content goals. The table below shows performance for fiscal year 1980 and the goals for fiscal year 1981 and 1982.

REENLISTMENT GOALS

	Fiscal year 1980 (actual)		Fiscal year 1981		Fiscal year 1982	
	ARNG	USAR	ARNG	USAR	ARNG	USAR
1st term:						
Goal [1] (percent)	50	50	53.2	50	53.2	50
Achieved (number)	10,506	4,302				
Achieved (percent)	53.4	50.4				
Career:						
Goal [1] (percent)	68	80	72.4	80	68.3	80
Achieved (number)	72,630	25,744				
Achieved (percent)	71.0	76.5				

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[1] Based on percent of eligibles.

Reserve Component Reenlistment Bonuses.—A qualified individual reenlisting in a high priority unit for 3 to 6 years may receive bonuses as follows:

	3 yr	6 yr
Initial payment upon reenlistment (½ total)	$450	$900
Subsequent payment annually	150	150
Total	900	1,800

The Reserve Components will emphasize the reenlistment bonus as their major reenlistment initiative for fiscal year 1981 and 1982. The bonus focuses on those eligible members of high priority units and those holding critical MOS's.

In addition, last year we obtained legislation for payment of an IRR/ING reenlistment bonus to attract unobligated members leaving the active Army, the Army National Guard, and Army Reserve. A $600 bonus is awarded for a

3-year reenlistment extension with $300 paid upon reenlistment and $100 paid at each anniversary. This initiative began in January 1981 and has significant potential to increase the IRR/ING strength at low cost. Payment is made upon verification of address and status.

Reserve Component Attrition.—Attrition in the Reserve Components takes on a different perspective than with the Active component. Since Reservists are soldiers who train part-time, the reasons for attrition are often different. For example, since Reservists are living at home, very few are discharged for reasons of hardship or dependency. Further, many losses to Reserve Component units represent a change in status and not a loss to the Total Army. For example, 8,000 to 10,000 attrition losses each year have been for the purpose of going on active duty. Also, many of those are lost to units because they move to an area where there are no units within reasonable commuting distance.

A positive effort is being made by both the Army National Guard and the Army Reserve to get information to the unit level commanders and their staffs to aid in managing, and hopefully reducing, attrition losses. We are also making a concerted effort to track individuals when they leave one component to determine their status. The Army National Guard established in fiscal year 1979 an Attrition Management Work Group to assist and give ideas on ways and means to control and reduce attrition losses. The greater numbers of full-time manning people in Reserve Component units should improve training and administration of these units which should have a positive effect on reducing attrition losses.

Individual Ready Reserve (IRR)

The strength of the Individual Ready Reserve fell from over one million in fiscal year 1972 to 168,600 at the end of fiscal year 1978. The strength at the end of fiscal year 1980 rose to 205,296 and is projected to increase to 348,000 by the end of fiscal year 1986. The projected strength increases are attributed to a combination of administrative and management initiatives, reenlistment programs, and by-products of other programs for the Active Component and Selected Reserve. However, even with this increase, the trained strength shortfall will not be totally eliminated.

Programs to increase the number of people in the IRR include the following:

All individuals leaving the Active Army and the Selected Reserve prior to the end of their enlistment are being screened to ensure that those having mobilization potential are transferred to the IRR.

The $600 IRR/ING bonus program is designed to attract soldiers who have finished their six-year service obligation and to encourage present members of the IRR to reenlist. The fiscal year 1982 Budget request includes funds for the continuation of this program.

The Army no longer allows time enlistees serve in the Delayed Entry Program to count toward fulfillment of the six-year military service obligation.

As Army members leave the Active forces and are transferred to the IRR, they are being matched with mobilization station assignments and given orders telling them where to report upon mobilization.

Inactive National Guard (ING) personnel are programed to increase in numbers by a closer management on the part of the States, and by applying in fiscal year 1982 the same incentives as for the IRR. The ING allows individuals to retain National Guard affiliation and be called upon when units to which they are assigned are mobilized.

Attrition management as previously discussed is being applied to help preclude the loss now experienced in unscheduled service termination. A number of actions previously mentioned will also aid in the growth of the IRR and ING.

We will continue to analyze our programs and performance and make adjustments as needed to revise our projections from year to year.

Women in the total Army

Women provide a valuable service to the Total Army. They are being utilized in a variety of occupations and at almost every level of importance, including top management.

In the active Army, as of the beginning of fiscal year 1981 there were 7,609 officers and 61,351 women enlisted soldiers serving in all but the combat specialities in units throughout the world. The Army has been directed to achieve a women enlisted strength in the active force of 87,500 by fiscal year 1986. However, the increasing numbers of women the Army must recruit, train, integrate in units and retain have brought to light many new challenges. Women—once thought to be free in terms of recruiting expenditures—are not flocking to recruiting stations to enlist in the wide range of skills available to them. We find that women still desire to enlist in those traditional fields in which women work in civilian life. To achieve quantitative objectives at current resource levels, the Army began recruiting women who had not graduated from high school which increases significantly first term attrition rates. In units, pregnancy remains as a problem. Retention of women is also an area of concern in that women are reenlisting at a lower rate than men. The Army has taken strong action to eliminate sexual harassment and, while it may never be eliminated entirely, we are moving in the right direction on this issue.

The table below reflects the Reserves' performance with respect to the number of women officer and enlisted as of 30 September 1980 and our projected objectives for fiscal year 1981 and 1982.

WOMEN IN THE ARMY NATIONAL GUARD AND ARMY RESERVE

	Fiscal year—		
	1980 (actual)	1981	1982
Army National Guard	16,740	19,364	20,720
Army Reserve	29,131	31,348	34,253
Total	45,871	50,712	54,973

The Army accepts the fact that women may be exposed to combat as a result of their assignments and that some women may become battlefield casualties, given the expected fluid nature of today's and tomorrow's battlefield. Nevertheless, the Army does not propose to change its policy to one that would require the assignment of women to combat MOS's or to combat units that would routinely be engaged in close combat.

The Army Staff is currently taking a new look at the entire issue of women soldiers.

When we talk of women in the military, we generally think in terms of those women in the active military, however, we have a high number of women in the civilian component. We also provide both enhanced employment job opportunities and job progression opportunities for all women in the civilian work force.

The Army's career programs provide for the intake and progression of women into the mainstream of mid and higher grade level positions in technical, paraprofessional and manageral occupations. The numbers of women entering career programs have steadily increased in both the engineers and scientists and the non-engineers and scientists career occupations. For example in June 1978, women held 7.4 percent of the engineers and scientists positions. In June 1979 those numbers had increased to 15.3 percent and 46.3 percent respectively. By 30 June 1980 their representation in these two areas had increased to 20.1 percent and 52.3 percent. During these same time periods we experienced steady increase in numbers of women in the middle level positions—GS–11–12; upper level positions—GS–13–14; and in top management positions GS–15 and above.

People support and personnel readiness

While the demands of military service place special hardships on soldiers and their families, the Army, nonetheless, requires soldiers to be uniquely dedicated, responsive, and ready to perform military duties. These special circumstances present both challenges and obligations not only to the individual soldier and family member, but also to the Army. The Army's Quality of Life program addresses this obligation to provide adequate housing, health care, pay, education, facilities maintenance, and essential community/morale-welfare-recreation activities in order to foster soldiers' readiness and commitment to serve wherever needed around the world, and families' support of that commitment.

Compensation initiatives enacted in fiscal year 1981 have resulted in substantial first step improvements in the quality of life of our soldiers. While the fiscal year 1982 budget includes additional permanent change of station reimbursement increases and retention of the Variable Housing Allowance as an entitlement ($196 million), soldiers' pay increases since inception of the all volunteer Army still lag behind those in the private sector. The Army's goals are to regain pay comparability and maintain a stable compensation system that precludes imposing economic sacrifice on dedicated service members.

Notwithstanding the benefits anticipated from the Variable Housing Allowance program which was implemented in October 1980, our soldiers are still encountering severe problems locating adequate and safe housing for their families particularly in overseas locations such as Germany. Additionally, our unaccompanied soldiers continue to live in inadequate barracks at many installations. Throughout the Army we presently have a capability to house in government quarters only about 40 percent of the families of career soldiers. The Army continues to be concerned about the housing problems of the first term and career soldier.

To address our housing needs, the fiscal year 1982 budget includes $143.5 million for 31 projects to construct or modernize barracks, BOQs, dining and company administrative and supply facilities; $36.9 million for construction of 254 family housing units at Ft. Irwin and 232 at Ft. Drum; and requests authority for 1974 additional leases for European housing. We must continue to construct and upgrade our barracks, bring more family housing units into the system, and provide additional government leased housing in Europe.

For both the single and married soldiers, we must be concerned about providing for their morale, recreation, religious and community needs. To begin to reduce our community facility construction backlog, the fiscal year 1982 budget includes $11 million for design and $79 million for construction of facilities such as physical fitness centers, auto craft shops, chapels, multi-purpose recreation centers and child care centers. It also includes $199 million to continue operation of community morale, welfare and recreation activities, but excludes funds, due to higher priority requirements, for needed operational improvements in physical activities, child care and other community activities.

That health care is a critically important retention issue needs no explanation. Efforts in fiscal year 1982 to improve our health care capability include funds to add 140 military physicians. The budget also requests the addition of 300 ancillary health care support personnel, primarily to replace those lost in prior years because of cuts in civilian end strength. Health facility improvements in fiscal year 1982 include a new hospital at Ft. Carson ($86.5 million), a renovation/addition project for the Frankfurt, Germany hospital ($34 million), the upgrading of the Ft. Irwin hospital to meet National Training Center medical requirements ($430,000), a dental clinic replacement at Schofield Barracks ($4.1 million), and an administration/out-patient care area at Walter Reed Army Medical Center ($6.7 million).

The fiscal year 1982 quality of life efforts include a $277 million increase over fiscal year 1981 in the Facilities Maintenance and Repair Account to sustain the soldier's living and duty environment. However, even this increase does not satisfy the annual recurring maintenance requirement. Thus, the backlog of maintenance and repair, and thus, the deterioration of soldiers' working and living conditions, continues to grow.

The constrained resource environment of past years has created deficits in quality of life programs because of constant higher priority needs. Additionally, the continuing rapid increase of basic installation operating costs has required reprograming of those limited funds allocated to quality of life activities in order to pay for utilities and other operating costs. We are well aware of the critical claims now made on limited resources by the need to modernize while also meeting daily operational requirements. However, with the increasingly wider awareness of another critical need—that is, to retain trained military manpower, we are hopeful that provisions to care for soldiers and their families also will begin to improve. We must begin an increased commitment to reduce the deficiencies in housing, health care, community support, travel cost reimbursement, and other quality of life needs if we are, legitimately, to expect soldiers' readiness and retention in return.

Critical to support of the quality of life for our soldiers and their dependents and to force readiness is the availability of a well-staffed, trained, qualified, and motivated civilian work force. Civilians provide support services across the spectrum of our soldiers' needs. They provide housing referral, movement of household goods and transportation services for both the soldier and his dependents. These are important and necessary services to the mobility of our forces, the readiness of the Army and our ability to maintain large, combat-effective forces in forward deployed areas. Civilians perform major and secondary item management of weapons, weapons systems, wheel and tracked vehicles, electronic surveillance and communications equipment including replacement and spare parts inventories. Readiness of the force depends upon the availability of what is needed, where it is needed and at the time it's needed through the support of an adequately manned civilian work force.

One of the programs which assist soldiers and their dependents in overseas areas is the DOD Oversea Dependent Employment Program. Dependents are given employment preference over non-veterans and non-dependent applicants for positions designated for U.S. citizens at grade GS-8, and below, non-supervisory wage grade positions, and foreign national positions. The benefits accruing as a result of the program are significant. Employing dependents provides added income for the soldiers and their families to maintain a decent standard of living in the overseas areas; counterbalance the requirement for local national employees which reduces the U.S. foreign balance of payments and deficits; is more cost effective when compared to local national salaries for equivalent positions and finally, the program operates to decrease U.S. presence in the foreign area by the employing of dependents as opposed to employing other U.S. citizens in the area.

Alcohol and drug abuse

Our Alcohol and Drug Abuse Program continues with a dual focus: (1) prevention through education and training and (2) treatment or separation. We have increased emphasis on commander responsibility for the program and have given the commanders the widest possible latitude.

During fiscal year 1980, the Alcohol and Drug Abuse Prevention and Control Program (ADAPCP) treated and rehabilitated 18,217 individuals (equivalent to one division). We have treatment facilities in CONUS at Ft. Bliss, Europe and Korea. We have allocated 110 spaces to Europe for clinical directors and counselors; these spaces are now being filled.

The identification of drug abusers is a major function of the ADAPCP and the related law enforcement drug suppression effort. During fiscal year 1980, 39 percent of hard drug abusers were identified through commander supervisor referrals; 30 percent through self-referrals; 16 percent by law enforcement; 15 percent through urinalysis and medical referrals.

The fiscal year 1982 ADAPCP budget is $44.5 million and includes 1,040 military and 881 civilian personnel, and is at the same level as that provided in the fiscal year 1981 Appropriation Act.

Alcohol and other drug abuse prevalency data are obtained from opinion surveys and the latest data available are as of October 1979. The percentage of enlisted personnel who admitted to using marihuana/hashish at least occasionally during the preceding six months was 26.9. For the same period, 5.1 percent of enlisted personnel admitted to hard drug use, and 4.7 percent admitted to having drinking related problems. Officer prevalency for the same period was 2.2 percent marihuana/hashish use and 1.5 percent admitting to drinking related problems. The above data has been relatively consistent since 1977. Officer marihuana/hashish use was initially surveyed in February 1979. Since October 1979, surveys were conducted in June and October 1980 and results will be available in January-February 1981. We continue to face difficulties in these areas. Within CONUS, cocaine, PCP, amphetamines and barbiturates abuse continue to be a problem. The availability of high grade, low cost heroin from Southwest Asia continues to be the major threat to USAREUR soldiers and their dependents. On the other hand, Korea has a minimal problem with heroin because of strict civilian law enforcement; but alcohol is the primary drug abused by the US personnel.

Total Army officer accession program

Managing the officer acquisition program is complex. It is a long lead time program in which we define requirements five years ahead. The program embraces Total Army needs—Active, Army National Guard, Army Reserve.

The Army's goal is to commission 10,500 officers per year. Current production is not adequate to meet Total Army peacetime requirements. In fiscal year 1980 6,343 officers were commissioned through the Senior ROTC program. In fiscal year 1981 we project that 6,899 officers will be commissioned through ROTC.

ROTC must expand production to insure a viable officer posture for mobilization.

The key to increased officer production is an expanded program in terms of incentives and population reached. Public Law 96-357 signed into law in September 1980 increases ROTC scholarship authorizations from 6,500 to 12,000. Of the first 2,000 two-year scholarship 1,035 will be awarded in fiscal year 1981 and 965 in fiscal year 1982. It is expected that these additional scholarships and other initiatives will increase ROTC commissionings to an estimated 9,300 per year by fiscal year 1985. Since Total Army requirements will still not be met, additional actions are being addressed. The current level of scholarships and the Expand the Base initiatives represent real efforts to provide the officers needed for the Total Army. We do not know if these efforts are enough. We may need to fund more of the scholarships currently authorized. We know we need relief from current eligibility constraints on enrollment in the Advanced Course so that we can attract high caliber students from public community colleges. We will manage vigorously current initiatives and come to the Congress for assistance, if needed.

ROTC added 41 extension centers in fiscal year 1980. In fiscal year 1981 an additional 48 extension centers as well as 8 host institutions will be added. These 97 additional schools will put Army ROTC in contact with approximately an additional 350,000 college students.

A major effort will begin in fiscal year 1982 to assist in Army Nurse Corps production through ROTC. We expect to see progress in fiscal year 1983 as a result of initiatives to start this Spring.

The fiscal year 1980 end strength of active duty military physicians increased by 224 over the past year, from 4,403 to 4,627. This increase, projected to continue over the next few years, is due to accessions from the Armed Forces Health Professions Scholarship Program, the principal source of active duty physicians. Procurement of volunteer physicians decreased slightly, down 32 to 326.

It is still anticipated that the objective active duty physician level of 5,273 will be reached by end fiscal year 1985, provided the Army Graduate Medical Education (GME) program is allowed to continue at the level currently programed by Army. The GME program is essential to solving problems of physician specialty imbalances and meeting physician specialty needs. The Army has been directed to reduce its GME strength to 1,055 by fiscal year 1986 versus its preferred level of 1,678. Because of an appeal to this decision, the Office, Secretary of Defense has initiated an analysis of GME in DoD by contract with the Institute of Medicine scheduled for completion in June 1981. The status of Army GME is likely to remain uncertain until after completion of this study.

There is a shortage of 3,096 physicians against 4,623 physician requirement in USAR Troop Program Units and the National Guard. When this figure is reduced by those physicians expected to report from the Individual Ready Reserve and the Standby Reserve, the adjusted physician shortage is 2,164. In fiscal year 1979, The Surgeon General was assigned recruiting responsibility for Reserve Component physicians, formerly handled by unit commanders. The Surgeon General established a nationwide recruiting network of 8 active and 47 USAR officers. Each recruiter supports approximately five major Reserve Component units. We project the shortfall in USAR Troop Program Units and National Guard will be reduced to 822 by fiscal year 1986. However, the degree of improvement should be regarded with caution in view of limited recruiting experience.

Civilian manpower

The Army's ability to man, maintain, and manage the civilian work force is restricted. Hiring limitations, ceiling strength cuts, high-grade reductions, and civilian pay caps contribute heavily to our problems.

Although overall federal employment has been reduced by 1 percent since 1974 civilian strength in the Army has declined by about 49,000 or 12 percent, while the support work load has been increasing. For example, 53,000 soldiers transferred from support functions to 55 newly activated combat support battalions; supply items managed increased by 7,000 line items; munitions shipped increased sixfold; and yearly procurement actions doubled to 136,000. Additionally, there has been a significant upswing in tasks usually handled by the civilian work force due in part to the public's increased numbers of requests under Freedom of Information and Privacy Acts and the added workload arising from implementation and management of the Ethics in Government and Civil Service Reform Acts requirements—particularly, the Senior Executive Service, Merit Pay System, General Performance Appraisal System, and changes in the labor relations program.

The civilian hiring limitation and the current hiring freeze further compound the Army's civilian manpower problem. These constraints have impeded the accomplishment of such important objectives as supporting near-term readiness, force modernization initiatives, Volunteer Army support, and other missions which have caused increased workloads.

To relieve the paradox between a growing workload and a decreasing civilian work force, Army managers have pursued use of overtime and temporary overhires, reorganizations, and introduction of less manpower-intensive systems and equipment. Missions and functions deemed less critical to near term readiness have been curtailed, deferred, and in some cases, eliminated. While all of these initiatives have contributed to increased productivity and utilization of resources, they have not been enough. Some essential missions and functions which should be handled by civilians are having to be performed by 25,000-28,000 soldiers who are diverted from their military duties. Further reductions in civilian manpower may well mean that even more military manpower will have to be diverted. Use of military manpower to do jobs normally performed by civilians has an adverse effect on both individual and unit readiness/cohesion. The individuals' MOS training is degraded and their identification with the unit is obscured. Without a full complement of personnel, the unit loses the capability to conduct effective training. Should mobilization occur, personnel diverted from Tables of Organization and Equipment (TOE) units would be required to return to their present unit in preparation for deployment. This would jeopardize the installation commander's capability to perform essential base support functions during a critical period.

Because Army civilian manpower supports functions that directly support combat unit mission and force readiness, we believe that an increase in civilian authorizations is the best solution for an immediate improvement to Army readiness.

One area in which we seek modest additional resources is career interns. To assure that we have capable and experienced people to fill upper level technical, management, and executive positions, we need a steady flow of new employees into entry level positions for many occupations, just as we need a steady supply of new military officers. The civilian intern program is a hiring and 2 or 3 year development program to provide this source, and it also serves as an important part of our affirmative action program to bring in and enhance employment opportunities for minorities and women. At least 1,810 career program vacancies occur each year, but the current number of Army civilian intern graduates will not be adequate to provide essential professionals, technicians, managers, and executives in the 1980's. Only 2,891, or 54 percent or our forecasted intern needs have been authorized. To compensate for the shortage, we are often compelled to downgrade jobs to fit the lesser qualifications of the people who are available. This lowers productivity and interferes with the Army's force modernization effort. We want to increase the intern program by 402 each year through 1987 to achieve the necessary level of 5,303.

Another problem which adversely affects the Army's ability to maintain readiness and technical capabilities is the pay cap. We are increasingly unable to attract or retain highly qualified officials in executive positions because of federal pay policy. Without compensation equivalent to that in the private sector, it is difficult to attract new talent. Key executives are reluctant to accept promotions to positions of higher responsibility at no additional compensation and without any financial distinction from some of their subordinates. Finally, after assessing retirement pay and periodic cost of living increases, many of these officials are electing to retire or obtain private sector employment at the very time of their greatest usefulness and productivity.

The Army needs relief from the civilian high grade reductions required by the fiscal year 1978 DoD Appropriation Authorization Act. The reductions present a serious impediment in providing those civilian skills required to support Army missions, particularly professional positions for research and development, medical services, procurement, and overseas construction programs. Additionally high grade positions, not fewer, are needed to develop and manage the new and expanding programs evolving from increased real spending for national defense and to provide the needed technical base to support the military forces in the face of an ever expanding threat. The Army strongly supports the DoD initiative to repeal the statutory constraints of the 1978 Act.

Equal opportunity

Equal Opportunity is one program that deals with human development and provides the Army with a mechanism to favorably influence the human element of force readiness. Equal opportunity provides the Army with a mandate—to conserve, strengthen and develop its resources.

Civilian.—Progress has been recorded by the separate minority groups and women in the Army for the period 30 June 1979 to 30 June 1980.

Improvement was made even though there was a reduction between fiscal year 1979 and 1980 in the direct hire, full-time permanent employment levels.

New initiatives that are being taken in the Civilian EEO Program to reach more minorities and women include the following:

All Army activities/installations are required to develop and implement an AAPP with goals for targeted occupational series where minorities and women are underrepresented.

All Army activities/installations are required to develop and implement a Federal Equal Opportunity Recruitment Plan (FEORP).

Intake goals have been established for minorities and women in the Engineer and Scientist and Non-Engineer and Scientist Intern Programs.

The Army Mobility, Opportunity and Development Program (AMOD) was established to recruit and train high potential status individuals in lower grade levels for Career Program positions.

Development of a comprehensive Army EEO Program Monitoring System for monitoring EEO progress within the AAPP and FEORP.

Discontinuance of the Professional and Administrative Career Examination (PACE) for in-service placement has resulted in an increase in minority and women intake into Army Career programs.

Army has conducted a series of briefings for officials of 19 national minority, women and handicapped organizations whose headquarters are in the Washington, D.C. area.

A goal of 1 percent of all Army civilian spaces has been established for the Upward Mobility Program.

A pamphlet, "Method of Entry Into the Federal Service," was recently published and is being used to assist Army officials in understanding and participating in applicant counseling and hiring processes. Many other Federal agencies have requested copies.

Veteran's Readjustment Appointment (VRA) is used widely in recruiting civilian employees for the Army.

Historically Black Colleges (HBC) are being developed and used as a recruitment source. A centralized referral service has been established by Army for faculty members of KBC to receive consideration for summer jobs at all Army installations.

We will need to provide Equal Employment Opportunity staffing to accomplish these objectives and achieve the balanced work force envisioned by the CSRA.

Military.—The Army affirmative Actions Plan identifies and establishes specific Department of the Army program objectives, responsibilities and policies that contribute to racial harmony and to the establishment of a true equal opportunity environment within the Active and Reserve Components of the United States Army.

Force readiness within the Army is derived from manpower, equipment and training. Human readiness is another factor that impacts on the Army's fighting capabilities. The Affirmative Actions Plan addresses a vital portion of the human readiness spectrum. Creating an environment that encourages personal and professional growth, which assures an equal opportunity for all Army personnel regardless of their race, color, religion, sex, or national origin, remains an essential Army task.

SECTION III—TRAINING THE FORCE

Active Army training

The Army has continually sought ways to implement efficiencies which provide quality training at a cheaper price. Unfortunately, we have gone too far. Too much training is being exported to the troop units—burdening commanders and impacting on team and unit training. We must now correct this problem and the Army is currently reviewing its resource needs.

Expansion of enlisted Initial Entry Training (IET) commenced in fiscal year 1981 with full implementation in fiscal year 1982. Detailed analyses have shown the necessity for additional IET to improve soldier performance in basic skills for battlefield survival. A more demanding Program of Instruction (POI) has been developed which extends the Basic Training (BT) portion of IET by one week, lengthens the training day, specifies new training tasks, provides for repetitive instruction and establishes a more comprehensive end-of-course test.

Officer education, training and professional development requirements are also undergoing a thorough job/task analysis from Warrant Officers through the grade of Colonel. Four officer basic courses will be expanded 4 weeks starting in fiscal year 1982 and a Combined Arms and Service Staff School (CAS^3) will be established at Fort Leavenworth in fiscal year 1981 to train staff officers between their 7–9 years of service. Military Qualification Standards (MQS) are under development to define explicitly what officers must know and be able to do within their specialties from precommissioning through the first 10 years of service.

As a major initiative, the Army embarked upon a new Noncommissioned Officer Education System. The general objective of the program is to increase the combat readiness of the Army through increased professionalism, prestige, responsibility, and performance of its NCO Corps.

Evaluating individual job proficiency was accomplished through continued expansion of the enlisted Skill Qualification Test (SQT) program in fiscal year 1981. SQT is the Army's feedback mechanism for the individual training system. It provides indications of shortfalls in training and soldier proficiency and is used in personnel management decisions, such as promotion. Of the 891 skill levels programed for a full-fledged SQT, 585 are now fielded. During 1982, the Army will continue a fiscal year 1981 strategy aimed at improving test quality. Simply stated, we are developing a more compact test and one which is more closely related to the soldier's job performance requirements.

The concept of an Army National Training Center has been developed as the principal tool for enhancing unit training where a total combat environment can be simulated. Such an environment comprising realistic maneuver areas comparable with modern battlefield requirements, warfare techniques, and future weaponry developments will increase the Army's combat readiness during peacetime periods.

The National Training Center was activated at Fort Irwin, California in October 1980 and will be phased into full operation over the next four years. By fiscal year 1984, 42 CONUS based heavy combat battalion task forces will rotate to the National Training Center for two weeks annually.

Reserve component training

As is true for the active forces, the foundation of discipline and professionalism for our Reserve Component members is challenging and interesting training. Army National Guard, Army Reserve and active Army train side by side and are indistinguishable one from the other. At the completion of this initial training, the National Guard and Army Reserve soldier returns to his/her unit for the balance of their six year military service obligation (MSO).

In fiscal year 1980 the Army gave top priority to the training of new accessions. In the Army Reserve we were successful in recruiting additional non-prior service (NPS) soldiers which resulted in a requirement to send to the training base 1,788 more soldiers than we had planned to train. This additional training caused the cancellation of training for some members of the IRR. Should these NPS accessions again exceed that which is programed, additional resources will be necessary in fiscal year 1981 and in fiscal year 1982 to provide IADT funding for our new enlistees without causing a curtailment of resourcing to other programs.

This past year the Army adopted an NCO training program for the Reserve Component as a whole, similar to the active Army program. The standardized program of instruction (POI) provides the flexibility to modify the course of instruction to support local unit readiness requirements.

Training and education of all Reserve Component personnel require continual attention. Funding requests for these programs need your continuing support if we are to field qualified, motivated soldiers ready to meet this Nation's mobilization requirements.

The Army has several programs that will improve our deployment capability. Primary among these is the Reserve Component Deployment Training program which provides selected Reserve Component units the unique opportunity of participating in realistic contingency mission-oriented training in the environment to which they are projected for early deployment. Active and Reserve Component commanders continue to praise this program which has grown annually from the initial 26 units in fiscal year 1976 to 114 Reserve Component units in fiscal year 1980. For fiscal year 1981, 160 Reserve Component units are scheduled for Deployment Training, and we are planning support for approximately 180 units during fiscal year 1982.

Benefits gained from this Deployment Training program go beyond the obvious "training" value. It enhances recruiting and retention for the targeted units, improves morale and esprit, provides the gaining and deploying unit commands the opportunity to work together in identifying and resolving problems in a more suitable environment than that expected during actual mobilization/deployment. Commanders and unit members gain mutual respect, knowledge and confidence in their ability to interface for a common goal. Reserve Component Deployment Training has the added advantage of demonstrating to our NATO allies the capability of our Army Reserve Component units to deploy when needed. We intend to expand and enhance our Deployment Training program in the coming year.

The Affiliation Program was created to establish an association (formal relationship) between Reserve Component and Active Component organizations and units. This program is designed to improve operational readiness of Reserve Component units required to support mobilization contingencies.

National Guard and Army Reserve units currently in the Affiliation Program include:

ARNG: Nine brigades consisting of 40 organic battalions, plus 37 additional battalions and 17 separate companies/detachments.

USAR: 16 battalions and 50 companies/detachments.

The program is being revised to align units within the Capstone framework; however, approximately 300 units were in the Affiliation Program at fiscal year 1981 and about 500 units are planned to be in this program by end fiscal year 1982.

Capstone, the term used to designate the Army's program of structured association between the Active Army and the Army's Reserve Components, describes a specific mission and wartime organization for every unit in the total peacetime force and is based on requirements of a mature European Theater and expanded Conus base. The purpose of Capstone is to train, deploy, and sustain the present 24 division force and lay the foundation on which to build during total mobilization.

In addition, the new Capstone program aligns wartime logistical structure with a peacetime partnership that will enhance during peacetime the readiness and training of support units.

Under Capstone we have planning and training relationships with the focus on wartime missions for all combat and support units. This program enhances the present Affiliation Program.

Full-time manning (FTM)

The purpose of FTM is to enhance the readiness of Reserve Component units by making available to the Reserve Component Commander, on a full-time basis, highly qualified Active Component and Reserve Component military personnel who possess the expertise needed to improve day-to-day training, operations, and administration of high priority Reserve Component units.

Currently, programed figures for FTM are:

	Fiscal year—		
	1980	1981	1982
Active component	1,070	1,522	1,554
Reserve component	2,168	3,514	4,395
Total	3,238	5,036	5,949

Training loads

The projected loads in the training base are the basis for the funding requested in this budget. The total training load for which we request authorization includes active Army, Reserve Components, and other service personnel trained in Army training facilities are shown below.

Fiscal year 1982 training loads:

Recruit training	16,560
Officer acquisition training	4,640
Specialized skill training	46,690
Flight training	1,910
Professional development training	2,776
One station unit training	27,172

Education

The Army Continuing Education System (ACES) provides educational opportunities for soldiers during on and off duty hours. These activities are designed to attract and retain the best available personnel, to contribute to Army readiness, and to raise morale through fulfillment of the individual soldier's personal aspirations.

Funded at $101 million during fiscal year 1981 and with a budget request for fiscal year 1982 of $129 million, the ACES system consists of four major components: the Basic Skills Education Program (BSEP) High School Completion Program (HSCP); tuition assistance for study during off duty hours; Education Center Program and the Veterans Educational Assistance Program (VEAP).

The Basic Skills Education Program (BSEP), is designed to improve reading and arithmetic competency, life coping skills, and learning capabilities of enlisted personnel at entry and advanced levels of service. The High School Completion Program (HSCP) provides off duty, voluntary study for those soldiers lacking a high school diploma. The Army funds 100 percent of the tuition for this program.

The Tuition Assistance Program defrays from 75 to 90 percent of tuition costs incurred by soldiers pursuing post-secondary studies at a variety of Army-approved institutions. These include programs at the associate, bachelors and graduate level, as well as vocationally oriented skill development courses.

The Educational Center Program, a worldwide network of facilities located wherever 750 or more soldiers are stationed, provides administrative support, counseling and testing services, and maintains a Military Occupational Specialty, (MOS) library or learning center for soldier's use in preparing for their job-related skills training.

The fourth component, the Veterans Educational Assistance Program (VEAP) was designed to replace the Vietnam GI bill. VEAP has three pilot programs currently in operation. The super-VEAP and the ultra-VEAP are contributory in nature and allow soldiers to accumulate as much as $14,100 and $20,100 respectively during a single enlistment. Section 903 VEAP was mandated by the 96th Congress and is a non-contributory and loan forgiveness program which allows soldiers to accumulate as much as $14,100 during a single enlistment. These benefits are to be used in furthering soldiers' college eduction.

Programed costs for the following components of ACES for fiscal year 1982 are as follows:

	Millions
BSEP HSCP	$20.4
Tuition assistance	27.8
Educational center program	55.7
Educational benefits (VEAP)	10.6
Improving ACES	14.6
Total	129.1

The major new educational initiative currently being developed within the Army is a revitalized GI bill.

The most recent GI bill was ended by Congressional action with termination of Vietnam hostilities and of the draft. World War II and Korean conflict GI bill legislation was enacted during periods of national conflict to assist servicemembers in their return to civilian life. Unfortunately, expectations that the Services would attract sufficient enlistments through higher pay and allowances have not been fully realized. It has been especially difficult for the Army to attract enough high school graduates. Use of VEAP to provide education incentives has not helped significantly, as shown by the low participation rate of eligibles (less than one-third of the eligibles participate) and early termination of participation among those who do participate.

The Army proposal contains the following key features:

(a) Non-contributory education benefits available to all military personnel as a reward for honorable service. Provisions for active duty servicemembers to transfer from Chapter 32 and 34 with an obligation for service. Inservice use authorized after completion of one year of service.

(b) Total program administered and basic benefits funded by Veterans Administration.

(c) Benefits earned at a rate of one month of education entitlement for each month of active service up to a maximum of 36 months (four academic years).

(d) Basic benefit consists of a monthly entitlement of $300 for completion of less than six years of service; $600 per month for completion of six or more years of active service.

(e) Authorization to selectively supplement the basic benefit by Service Secretaries for recruitment and retention purposes. The supplement would be targeted toward critical specialties and hard-to-fill assignments.

(f) Transferability of unused benefits to dependents authorized after completion ten years of active duty service while remaining on active duty; otherwise within ten years of retirement of servicemember.

(g) Selected Reserve benefits authorized at half the active duty rate. Transferability option is not available to Reserve personnel.

(h) Delimiting date for benefits is ten years from servicemember's final separation from service.

(i) Benefits available only to those receiving an honorable discharge after completion of service.

In whatever form a new GI bill is ultimately drafted, it will have a considerably better chance of being a successful incentive if there is an accompanying reduction or elimination of competing Federal education grants and loans. Otherwise, there will still be a reluctance to join the Army for an educational subsidy that could be obtained elsewhere without a service obligation.

Senior executive service training

Army executives must have thorough grounding in management principles and techniques so that they can carry out the full extent of responsibilities envisioned under the Civil Service Reform Act. To help accomplish this goal, the Army plans for each member of the Senior Executive Service (SES) to attend at least one executive or management course per year, and the Army will be hiring into the SES Candidate Poll and beginning development programs for that group. An additional $700,000 is requested to cover the costs associated with this expanded training effort.

SECTION IV—MOBILIZING THE FORCE

Mobilization manpower

A major concern to the Army and the Congress is our inability to meet the military and civilian manpower requirements which would be required upon mobilization. Although our ability to support military manpower mobilization requirements has improved over the last year, several key factors still affect our ability to support manpower needs, as evidenced by the Proud Spirit Mobex 80 mobilization exercise. Significant manpower shortages exist in several forms: shortage of immediate trained replacement for combat losses, shortage of personnel in existing Reserve Component units, and substantial shortage of units to meet identified requirements. The result is the current Reserve manpower pools cannot sustain mobilization requirements until manpower can be supplied by a post mobilization draft, trained by a CONUS base, and shipped to a theater of operations. Inadequate peacetime civilian operating strengths are exacerbated upon mobilization when soldiers, used as borrowed military manpower, revert to their units.

At mobilization plus 90 days and fighting a NATO only war, the Army trained military manpower shortfall computed for end fiscal year 1980 was 249,000. The corresponding shortfall for end fiscal year 1979 was 276,000. The shortfall reduction of 27,000 over the past year is attributable primarily to growth of Selected Reserve strength plus modest increases in Individual Ready Reserve (IRR) and Inactive National Guard (ING) strengths, and significant reductions in mobilization TDA requirements.

The Army has undertaken additional programs or initiatives to further reduce the shortfall by maintaining current levels of Active Component recruiting and retention efforts; intensified recruiting and retention efforts as well as incentives and enlistment options for the Selected Reserve; and continuation of administrative and management actions and the reenlistment bonus program for the IRR and ING. Resources for fiscal year 1982 to do these things were discussed in earlier sections. In addition, increased relinace is being placed on mobilization recall of military retirees. At end fiscal year 1980, 40,000 would have been recalled. By end fiscal year 1981, 80,000 would be recalled. The projected recalls for fiscal year 1982 and fiscal year 1986 are 100,000 and 120,000 respectively. While the use of increased numbers of retirees will assist greatly in manning the CONUS base, the problem of providing trained combat casualty replacements is largely not affected by this initiative.

Further, it is essential that the civilian work force be as well prepared as the military to perform the functions needed upon mobilization; presently they are not. During a period of general mobilization, new or standby Army installations and activities must be activated or expanded. In order to provide a multitude of support services and products for a bigger fighting force, a greatly expanded civilian work force will be required. The civilian work force staff must be augmented immediately to perform urgent, emergency services and to replace specialized personnel called to active duty.

During our most recent mobilization exercise, our civilian manpower requirements were assessed at 559,000 civilian positions necessary to sustain the forces. This alone represents 35 percent or 200,000 positions, required above our current authorized manning.

Through on-going efforts we have made a modest gain in our ability to meet the military manpower mobilization requirements. The Army is requesting the following in the fiscal year 1982 Budget to continue the gains realized during the past year. We solicit the support of Congress in this undertaking.

	Millions
Additional man-day spaces to support retention	$2. 0
IRR/ING reenlistment	8. 8
Full-time manning	110. 0
Enlistment/reenlistment bonus	39. 6

Mobilization training base

The Army currently has a severe shortage of trained manpower for a major war in Europe and plans immediately to surge the training base upon mobilization in order to provide additional trained replacements to the Theater of Operations as early as possible. The training base must be ready to expand as rapidly as possible after mobilization. Based on existing Active and Reserve Component training unit structure and Program of Instruction (POI) lengths, the mobilization training base had a total potential input capacity of 333,000 soldiers by M+90 days for the end of the fiscal year 1980, including 133,000 during the first month following mobilization. This capacity is based on the Active and Reserve Component training structure, however, based on current equipment, ammunition, and facilities on-hand, this capacity cannot be attained. Thus, the training base input is limited to only 182,000 by M+90 days, including 83,000 during the first month.

Funding initiatives in the fiscal year 1982 Budget to improve training base capability call for purchase and stockpiling of minimum essential individual clothing and equipment, engineer design and survey of training installations in preparation for emergency construction upon mobilization and the employment of additional training employees to develop crucially needed mobilization POI. These initiatives will help to meet some of the requirements associated with absorbing 133,000 new trainees into the mobilization training base by M−30, but will not solve all of the equipment problems. We solicit the support of Congress in this undertaking.

SECTION V—SUMMARY

The strength of the Army is its people. The strength of those people lie in great measure in the support and encouragement they receive from the American public and their leadership.

It should be clear that we are faced with many challenges. Fundamentally, our task remains to attract, motivate, retain, train, educate, care for, and employ properly the men and women we need, in and out of uniform, active and reserve, to discharge the Army's solemn responsibility to the Nation. Our primary mission is to maintain peacetime levels that can be expanded rapidly to meet wartime level requirements in a timely manner. However imperfectly, we believe we have made some progress this past year. We are determined to do our jobs better in the years ahead. When we need assistance, we should say so. When we err, we will admit it and move to do better. In our judgment, we believe that the success of the all-volunteer Army to date has met the expectations of at least a majority in the Congress and in the American people. To implement the volunteer policy was to agree the government should be competitive. In order to be competitive, sufficient resources must be provided to maintain a level of manpower, military and civilian, needed to do the job.

In all this we shall be conscious of the generous support given to us by the Congress, and appreciative of your continued understanding and assistance. Ours is a mutual task.

Mr. CLARK. I am pleased to appear before this subcommittee and to discuss with you the people of our Army and our Army's personnel requirements for fiscal year 1982.

As you pointed out, we have with us today the representatives of the total Army, and indeed my statement will address the total Army requirements and its problems.

Clearly, the Army and its strength is people. Many of our wisest leaders, in and out of uniform, long have known that the worth and effectiveness of Armed Forces rests above all on the people who wear the uniforms, stand the watches, keep the peace and, when called upon, fight the battles.

I am reminded of a quote from a famous general, "In the last analysis, it is the infantryman with his belly full of guts and a bayonet who finally grabs and holds the land that is seized." The general that I quoted happened to be my father, Gen. Mark Clark.

It is important to think of the Army in its totality—the Active Force, the Reserve Component Force and the civilian force. Each brings special values and strengths required in an effective total Army. All together, these three elements comprise the U.S. Army.

RECRUITING AND RETAINING PEOPLE

Major challenges face us in the years ahead in the people area. The Army must recruit and retain sufficient numbers of capable soldiers for the active and reserve components, and do so in an environment of increased competition for manpower. We must compete for a larger share of the available market of young men and women that is slowly being reduced in size, and we must provide an adequate quality of life for the soldiers and their dependents.

Further, our civilian employees must be convinced of popular support, and they deserve to be. Our civilian level of effort today is stretched thin.

For fiscal year 1982 we are requesting an Active Army end strength of 786,300, an increase of 11,000 over fiscal year 1981, and a civilian end strength of 359,900, a decrease of about 700 from fiscal year 1981.

For the reserve component, we are requesting an average strength of 392,800 for the Army National Guard and 230,000 for the Army Reserve, an increase of 21,500 and 25,800, respectively, over the average strengths authorized for fiscal year 1981.

In fiscal year 1980 the Active Army, as you pointed out, met its quantitative recruiting objective, however, there was a shortfall in the qualitative objective of high-school graduates. We were about 13,000 below our objective.

Recruiting has not been easy, nor cheap, and it may be even more difficult and more expensive in the future. The supply of qualified young men 17 to 21 years old decreases from about 11 million in fiscal year 1980 to about 9 million in fiscal year 1987. Coupled with the reduced manpower supply is a keen competition with civilian employers and higher education institutions for this population group.

Because of the nature of its mission and because it is a manpower-intensive force, the Army must have a competitive edge over its competitors for manpower. We need your support in providing us that competitive edge, as we need your support for a much-needed GI bill.

Fiscal years 1981 and 1982 will be challenging years for Army recruiters because the Army wants to recruit more high-scoring, high-school-diploma graduates. These individuals have the greatest probability of performing effectively in the future.

ENLISTMENT BONUS PROGRAM

Resources are the key to achieving our recruiting objectives. The enlistment bonus program, for example, has been expanded by $32 million in fiscal year 1982 over 1981 to assist in recruiting high-scoring, high-school-diploma graduates for critical skills. We also plan to increase the advertising program by $19.9 million in fiscal year 1982 over 1981 in order to focus on the same type of young men and women. In total, we are requesting an increase in our fiscal year 1982 recruiting budget of $99.2 million over fiscal 1981. We believe we have submitted a balanced package of necessary recruiting resources which, if provided, will allow our recruiters to accomplish their tough job for the Active Force.

With the help of Congress, the strength of the Army National Guard and the Army Reserve has taken an upward turn during the last 2 years. Between end fiscal year 1978 and end fiscal year 1980 these two components achieved a total increase of 47,000. We are encouraged by the prospects offered by the incentives, initiatives and programs we now have.

We are proposing to increase in fiscal year 1982 the enlistment incentives for the National Guard by $5.4 million, and the Army Reserve by $2 million, over fiscal year 1981, to assist in enlisting as many high-scoring people as they can. We also propose to pay an $1,800 prior-service enlistment bonus to individuals enlisting for a 6-year term in a high-priority unit or in a critical skill.

We also plan to increase in fiscal year 1982 the number of full-time recruiters in the Army National Guard and the Army Reserve by 183 and 127, respectively, over fiscal year 1981. We believe that enhancement to these incentives, initiatives and programs should result in additional increases in the future.

Between end fiscal year 1978 and end fiscal year 1980 the strength of the Individual Ready Reserve, or IRR, increased by about 36,000. By end fiscal year 1982 we project the IRR strength to increase by another 50,000. This increase is attributed to the new IRR bonus provided by the Congress and other administrative and management actions instituted by the Active Army, Army National Guard, and Army Reserve.

RECRUITING QUALITY PEOPLE

Recruiting quality people is one element in sustaining the force. The other element is retaining in the right skills capable soldiers already recruited. In fiscal year 1980 the Active Army reenlisted the largest number of soldiers since the inception of the All-Volunteer Army. In spite of aggregate achievements, however, the Active Force must reverse the decline in retention of mid-carreer soldiers and solve critical skill shortfalls. The fair benefits package and the

Nunn-Warner incentives recently approved by the Congress should help in resolving this issue.

A number of actions have been taken or are planned to address specific skill shortages in the noncommissioned officer, NCO, ranks; for example, increased reenlistment bonus for critical skills in which authority was provided in fiscal year 1981 to increase the maximum selective reenlistment bonus, or SRB, from $12,000 to $16,000, and to pay the SRB to soldiers in critical skills with 10 to 14 years of service; accelerated promotions in selected critical skills; and proposed responsibility pay up to $150 for combat arms leaders.

NCO manning trends are up, and give the continued support by administration and congressional leadership, we believe the impact of NCO shortages on readiness will be significantly reduced.

RETENTION OF RESERVE SOLDIERS

Retention of reserve component soldiers reaching their reenlistment eligibility window remains high. In fiscal year 1980 the Army National Guard and the Army Reserve were successful in achieving their first-term reenlistment goals. We will continue to emphasize for these components the reenlistment bonus as the major reenlistment incentive for fiscal years 1981 and 1982. The bonus focuses on those eligible members of high-priority units and those holding critical skills. In fiscal year 1980 the reenlistment bonus was authorized in about 15 percent of National Guard and 24 percent of Army Reserve force structure spaces. In 1981 the program is expanded to include critical skills in all other units so that 54 percent of the National Guard and 51 percent of the Army Reserve structure spaces are bonus eligible. Also, we plan to increase in fiscal year 1982 full-time reenlistment NCO's in the National Guard and Army Reserve by 179 and 43, respectively, over fiscal year 1981.

As I mentioned earlier, we need to retain Active Army, Army National Guard and Army Reserve soldiers, and we will continue to look for ways to emphasize and improve their retention.

WOMEN PROVIDE VALUABLE SERVICE

As we have stated in prior hearings, women provide a valuable service to the total Army. A great majority of the women serving in the Army today are doing so with skill, intelligence, energy, excellent discipline and genuine commitment; however, the increasing number of women the Army must recruit, train, integrate into units and retain haye brought to light many new challenges.

Women are not appearing at recruiting stations in the numbers anticipated to enlist in the wide range of skills available to them. Also, field commanders with large numbers of women in their units are sending us signals that there may be readiness problems. They are concerned because more women than men in comparable skills may be unable to perform all tasks associated with unit mission in a hostile environment. We are currently taking a new look at the entire issue of women soldiers.

To attract and retain the number and quality of soldiers, both male and female, which we need to carry out our many diverse missions, we must provide a reasonable quality of life for our people. Our service members are required to commit themselves fully to the Army mission. To obtain that commitment we must insure that service members and their families have adequate housing, medical care, support facilities, work facilities and adequate morale, welfare and recreational activities. They must know in a tangible way that the Army and the country support their dedication to an important and difficult life.

Our fiscal year 1982 budget contains a range of programs which are focused on improving and maintaining the people support and personnel readiness of our soldiers.

For example, the fiscal year 1982 budget contains a $277 million increase in maintenance and repair of real property to sustain the soldiers' living and duty environment; $36.9 million for the construction of 254 family housing units at Fort Irwin, 232 units at Fort Drum and 1,794 additional lease authorizations for European housing; and $143.5 million for the construction of 20 new barracks and modernization of existing barracks.

The Nation, its leadership and those of us charged with leading and caring for the fine men and women who serve the Army have an obligation to provide a balanced quality-of-life program which offers those essential services necessary to meet soldiers' and their families' needs.

I have been discussing actions concerning the uniformed members of the total Army—the men and women in the active and reserve components. I would now like to turn to the other co-equal element which helps in providing an Army for which this Nation can be proud—the civilian component.

CIVILIAN WORK FORCE

The Army's ability to man, maintain and manage the civilian work force is restricted. Hiring limitations, ceiling strength cuts, high-grade reductions and civilian pay caps contribute heavily to our problems.

Although the overall Federal work force has been reduced by 1 percent since 1974, civilian strength in the Army has declined by about 49,000 or 12 percent, while the support workload has increased.

For example, supply items managed increased by 7,000 line items; munitions shipped increased sixfold; and yearly procurement actions doubled to 136,000.

To relieve the paradox between a growing workload and a decreasing civilian work force, Army managers have pursued the use of overtime and temporary hires, reorganizations, introduction of less manpower-intensive systems and equipment, and curtailing, deferring and eliminating missions and functions deemed less critical to near-term readiness. These have not been enough.

Some essential missions and functions which should be handled by civilians are having to be performed by 25,000 to 28,000 soldiers who are diverted from their military duties. This means that the individuals' skill training is degraded and their identification with the unit is obscured. Without a full complement of personnel the unit loses the capability to conduct effective training.

Because Army civilian manpower supports functions that directly support combat unit mission and force readiness, we believe that an increase in Army civilian authorizations is the best solution for an immediate improvement to Army readiness.

A major concern to the Army and the Congress is our inability to meet the military and civilian manpower requirements which would be needed upon mobilization. We have made some improvements over the last year; however, several key factors still affect our ability to support mobilization manpower needs, as evidenced by the Proud Spirit–Mobex 80 mobilization exercise.

We have undertaken programs or initiatives to reduce the manpower shortfall, and the budget before you contains the resources needed to continue the gains realized during the past year.

We are still faced with many challenges. We cannot afford to rest on the laurels of improvement we have made over the past year.

Fundamentally, our task remains to attract, motivate, retain, educate, care for and employ properly the men and women we need in and out of uniform, Active and Reserve, to discharge the Army's solemn responsibility to the Nation.

We are determined to do our jobs better in the years ahead. When we need assistance, we should say so. When we err, we will admit it and move to do better. To implement the volunteer policy was to agree the Government should be competitive. In order to be competitive, sufficient resources must be provided to maintain a level of manpower—military and civilian—needed to do the job.

Considering those things that Congress can do, I can only express the Army's deep appreciation for the support you have provided.

Mr. Chairman, this completes my statement.

Senator JEPSEN. Thank you, Mr. Clark.

I believe we will proceed with General Yerks.

Do you have a statement?

STATEMENT OF LT. GEN. ROBERT G. YERKS, USA, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY

General YERKS. I do not have an opening statement, but I respectfully request that I be allowed to submit a written statement for the record.

Senator JEPSEN. It will be submitted and put in the record as as if read.

[Prepared statement of General Yerks follows:]

PREPARED STATEMENT BY LT. GEN. ROBERT G. YERKS, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY

Mr. Chairman, members of the Subcommittee, I am pleased to appear before you here today.

I would like to very briefly describe the personnel posture of the Army before answering your specific questions.

Fiscal year 1980 was a turnaround year in the Active Army from a manpower perspective: the active Army's authorized end strength was achieved thus making up a previous year's shortfall; the decline in enlisted continuation rates of the active component subsided; the top five enlisted grades in the active component increased; new initiatives were developed and supported by Congress to improve the life styles of Army members; new management techniques were implemented to further improve the personnel readiness of the force; and still other initiatives were developed for future implementation. However, Army Reserve and National Guard strengths, while continuing to improve, remained well below desired peacetime levels, and the civilian component was significantly short of its essential level.

Active Reserve Component and civilian current and programed strengths are indicated below.

CURRENT AND PROGRAMED END STRENGTHS

[In thousands]

	Fiscal year—						
	1980	1981	1982	1983	1984	1985	1986
Active end strength	777	775	786	786	787	787	787
USAR paid strength [1]	207	217	237	249	257	265	271
ARNG paid strength	367	386	398	407	415	421	426
Individual Ready [2] Reserve/Inactive National Guard (IRR/ING)	212	250	276	303	350	364	379
Standby Reserve	19	20	18	16	14	12	12
Retirees	40	80	100	100	100	100	120
DA civilians in military functions	361	361	360	364	364	364	364

[1] Fiscal year 1982–86 includes Individual Mobilization Augmentees (IMA)—Pay group D.

[2] Fiscal year 1982–86 includes IMA also counted in USAR paid strength.

Achievement of programed active and reserve strengths are dependent on funding, and success of current and planned Army enlistment, reenlistment, retention, and management initiatives. Pretrained individual manpower (IRR, ING, Standby Reserve, Retirees) is critical in a mobilization/warfighting situation to sustain the Army until trained draftees are available.

The most pressing personnel challenge facing the Army today is the widening gap between work requirements and the constrained civilian strength of the Army. Civilians are essential to our current readiness and potential mobilization. Since 1974, reductions to the Army civilian end strength have totaled about 49,000. This reduction equates to 12 percent while total federal employment dropped only 1 percent. To maintain an adequate level of support and services, tactical units must provide troop labor to do the jobs. The Army diverts approximately 25,000 soldiers each day to compensate for the lack of sufficient civilian manpower. This has an adverse impact on near-term readiness. In the event of mobilization these soldiers would be returned to their units leaving important support jobs vacant. One of the best means of rapidly improving Army readiness would be to increase the civilian strength level.

The Army has identified a shortage of 65,000 required spaces in its civilian workforce. As a minimum for fiscal year 1981 the Army seeks 10,000 additional spaces in order to begin to replace borrowed military manpower and improve near-term readiness. For fiscal year 1982 an additional 30,000 spaces over the currently constrained budgeted 359,916 are required in order to continue the fiscal year 1981 initiatives to replace borrowed military manpower and troop diversions with civilians and to begin to improve critical shortfalls in the logistics and training base and other support areas.

The Army also seeks repeal of the civilian high grade reductions required by the 1978 DoD Appropriation Authorization Act, and relief from the cap on civilian pay. We need to attract and retain the additional technical and managerial skills necessary to support our readiness and modernization initiatives.

Last year's most pressing problem, the shortage of pretrained military manpower to meet mobilization requirements to fill and sustain the wartime Army, has not been solved. The Army continues to have critical shortages of personnel in the Army National Guard, the US Army Reserve and the Individual Ready Reserve (IRR). As of the end of fiscal year 1980 the Army's trained military manpower shortfall would have been 249,000 90 days after mobilization for a NATO-Warsaw Pact war. Even with recent improvement in Reserve Component unit recruiting and retention, with management actions and other initiatives to increase the strength of the IRR, and with a system to recall large numbers of retired personnel in an emergency, the shortfall will not be eliminated during the next five years. This problem must receive particular emphasis because its resolution is vital to the Army's ability to reinforce and sustain our forces in the event of conflict.

ACTIVE COMPONENT RECRUITING

The active Army recruited some 136,000 nonprior service (NPS) males in fiscal year 1980 which represented 101.2 percent of the assigned objective. Because of this achievement, the Army made its fiscal year 1980 end strength goal and made up the 17,000 recruiting shortfall of fiscal year 1979. However, recruitment of high school diploma graduates fell far short of our goal. Fiscal year 1981 NPS male recruiting is on target year to date, in both total numbers and high school graduates.

NPS female recruiting remains a large challenge for the Army. Since fiscal year 1978, as the accession requirements increased, the Army has found that women are no longer enlisting in the numbers and skills required to meet OSD directed goals. The enlistment eligibility criteria for women was made identical to that of men, effective 1 October 1979 to demonstrate sexual equality and to increase the eligible market to accomplish the higher accession requirements. The Army fell short of the fiscal year 1980 female recruiting objective by about 1,200. Fiscal year 1981 female recruiting performance year to date is 90.2 percent of objective.

Prior service recruiting has been excellent in recent years.

Preliminary recruiting data for fiscal year 1981 supports the general comments discussed above:

FISCAL YEAR 1981 RECRUITING RESULTS THROUGH JAN. 19, 1981

	Objective	Achievement	Percent of objective
Nonprior service:			
Male	24, 538	23, 839	97. 2
Female	5, 751	5, 185	90. 2
PS	4, 898	6, 111	124. 8
Total	35, 187	35, 135	99. 9

High School Diploma Graduate (HSDG) recruiting has been steadily declining since fiscal year 1976 until the Army reversed the trend in fiscal year 1980:

Total HSDG:	
Fiscal year:	
1976	105, 543
1977	99, 681
1978	91, 386
1979	82, 843
1980	85, 825

The decline coincided with the removal of the GI bill and a sharp reduction in recruiting resources and an erosion of entry pay. In fiscal year 81, the Army plans to recruit 96,000 HSDGs. The congressionally mandated 35 percent cap on non-graduate males should be met without jeopardizing the planned end strength. The current accession percentage of non-graduate males is 27 percent. Recent recruiting market studies show that technology had the highest appeal among diploma graduates. Accordingly, the Army's fiscal year 1981 advertising plan was revamped to include high technology opportunities for prospective enlistees.

The Army is currently managing its recruiting effort to permit DoD to comply with the 25 percent ceiling for all Services on those people who score between 16 and 31 on the Verbal Math (AFQT) portion of the entry test (ASVAB). The current rate, which is 39.9 percent, is unusually inflated due to the composition of the Delayed Entry Program (DEP) prior to the new norming of the ASVAB test. Through careful management, this rate has been declining and should reach 30 percent by end fiscal year 1981.

The Army must recruit large numbers of brighter high school graduates as the military eligible population declines and competition for employment of these people increases. To do this the Army needs an attractive education benefits package, an expanded bonus program, a two year enlistment option, achievement and maintenance of pay comparability and a revision of the pay and compensation system to recognize excellence, experience, and levels of responsibility.

ACTIVE COMPONENT RETENTION

Enlisted Retention Trends and Career Force Strengths: Decline in the rate of continuation for enlisted soldiers in their fifth through twelfth years of service occurred in fiscal year 1978 and fiscal year 1979. Efforts to improve this situation during fiscal year 1980 were moderately successful. As a result of fiscal year 1980 initiatives, continuation rates for soldiers in these year groups showed no further decrease from fiscal year 1979. Preliminary results of the last quarter show positive trends, especially of NCOs in year cells 5 through 12.

REENLISTMENT TRENDS, OBJECTIVES, AND INITIATIVES

In fiscal year 1980 the active Army achieved aggregate reenlistment objectives and by doing so, increased the "over 3" career content. By end fiscal year 1980, the strength of the career force reached 330,000, an increase of about 10,000 over the previous year. In spite of these achievements and reversal of the five year decline in mid-career reenlistment rates, critical shortages of middle and senior grade NCOs continue to exist in combat arms, intelligence, and other highly specialized technical skills. As indicated in the following table by the higher rates required, achievement of total reenlistment requirements in fiscal year 1981 is more difficult, but obtainable, given no reversal of compensation trends.

	Fiscal year—		
	1979	1980	1981
1st term:			
Objective	22,920	22,234	20,000
Achieved	26,528	25,028	
Achieved (percent)	115.7	112.6	
Eligibles (percent)	43.0	50.6	54
Career:			
Objective	55,170	57,470	61,600
Achieved	54,204	57,158	
Achieved (percent)	98.2	99.5	
Eligibles (percent)	66.4	69.3	71

In fiscal year 1981, the Army continues to shift management emphasis and tailor resources to improve retention of experienced middle and senior grade NCOs in critical skills. In line with this shift, the fiscal year 1981 reenlistment objective system has been revised to focus on retention of mid-grade soldiers (objective added for careerists with up to 10 years of service) and soldiers nearing separation. The following table presents fiscal year 1981 objectives and year to date achievement under the new objective system.

FISCAL YEAR 1981 TOTAL RESULTS THROUGH JAN. 31, 1981

	Annual objective	YTD objective	Achieved	Percent achieved
Initial term	27,500	9,101	9,866	108.4
Midterm	19,700	6,474	6,729	103.9
Career	14,300	5,124	5,783	112.9
Total	61,500	20,699	22,378	108.1

In order to place more emphasis in fiscal year 1981 to retain more career soldiers in combat arms and other critical skills the Selective Reenlistment Bonus (SRB) Program has been expanded: authority was provided which increases the maximum SRB payment from $12,000 to $16,000 and authorized SRB payment to soldiers with 10–14 years of service; Congress also increased the bonus program by $25 million (total of $124.6M in fiscal year 1981 for new SRB payments): and a much larger percentage of the program is slated for careerists with over 6 years of service.

Although the reenlistment program and associated initiatives will emphasize retention of soldiers in combat arms and space imbalanced skills while continuing to maintain total strength requirements in the short term, actions must be taken to improve the overall attractiveness of the Army as a career if we are to meet all of our requirements. A return to fiscal year 1972 pay comparability, reinstatement of a GI bill educational program aimed at attracting high school diploma graduate enlistees with transferability to dependents as a retention incentive, improvements in quality of life for soldiers and dependents, and elimination of the ceiling on dependents overseas are actions for which we seek congressional support.

WOMEN IN THE ACTIVE ARMY

The Army increased the numbers of women in the active force by 411 percent between fiscal year 1972 and fiscal year 1980 as reflected below. OSD directed the Army to increase the number to 99,034 by fiscal year 1986 (591 percent of the 1972 strength) when women would represent 11 percent of the officer and warrant officer force and 13 percent of the enlisted force.

	Fiscal year—		
	1972	1976	1980
Officer and warrant officer	4,422	4,844	7,609
Enlisted	12,349	43,806	61,351
Total	16,771	48,650	68,960

Increased end strength has required an increased female accession objective which the Army has been unable to achieve in recent years as shown below:

	Fiscal year—					
	1976	1977	1978	1979	1980	1981 (YTD January 1981)
Objective	15,900	14,900 ++	17,600	18,800	23,400	5,751
Achieved	15,884	14,964	17,517	17,196	22,210	5,185
Percent	99.9	100.4	99.5	91.5	94.9	90.2

To reach and sustain the OSD directed enlisted female strength will require accession of up to 28,000 non-prior-service women annually. The Army believes this market is not available without recruiting large numbers of Non-High School Diploma Graduates (NHSDG) who demonstrate unacceptable three year attrition behavior.

Prior to fiscal year 1973 most enlisted women were found in the traditional (Administrative and Medical) skills. With the decision to increase the participation of women it was necessary to recruit them for the female nontraditional skills (e.g., Maintenance, Law Enforcement, Ammunition, Military Intelligence). Today, 94 percent of Army skills are available to women. The percentage of active component enlisted women utilized in traditional, and nontraditional skills is shown below:

	Fiscal year (in percent)—				
	1972	1977	1978	1979	1980
Traditional	90.1	37.9	42.1	40.6	38.7
Nontraditional	9.9	62.1	57.9	59.4	61.3

The Army monitors first term attrition by "tracking" the performance of groups of personnel who enter the Army during the same fiscal year. The Army refers to these groups as "cohorts". Comparative male/female cohort attrition data for the active component follows:

Sex: Education level	Fiscal year of entry—			
		Forecast (as of Jan. 31, 1981)		
	1977 actual	1978	1979	1980
Male:				
HSDG	28.9	26.0	24.5	25.0
NHSDG	50.6	44.9	44.1	44.1
All	39.4	31.7	32.3	35.3
Female:				
HSDG	44.2	44.1	43.5	44.9
NHSDG	58.3	54.1	50.6	59.4
All	46.3	44.8	43.6	47.1
All enlisted: All	40.0	33.5	33.8	36.9

As indicated above, active component first term female attrition rates are projected to increase. In fiscal year 1980, the Army began enlisting female non-diploma graduates which has significantly affected the female attrition rate. Conversely, male attrition in the active component has shown a steady downward trend within education level subcategories. The total projected rate for fiscal year 1989 shows an increase because of a greater number of NHSDG accessions in fiscal year 1980. In the near term, enactment of Public Law 96-342 on 8 September 1980 is expected to help reduce attrition. Under this law, soldiers who now fail to complete at least 24 months of honorable service will not be authorized Veteran's benefits.

Pregnancy accounts for some of the higher attrition demonstrated by women. Army policy prescribes that pregnant soldiers are not deployable overseas and those in hostile fire areas who are 18 or more weeks pregnant will be automatically evacuated when noncombatant evacuation plans are inplemented. At current strength, approximately 6,900 women may not be available to support the Army mission in event of hostilities.

There is no OSD directed level for women in the Reserve Component. As of end fiscal year 1980, women contributed 8 percent to Selected Reserve strength. The Army has developed sufficient data over recent years that will enable objective analysis as to "where we've been and where we should go" regarding utilization of women in the force. This period of stabilization will provide an opportunity to reexamine the impact of women on combat readiness, and to objectively optimize female utilization to the benefit of the Army and its women members.

SENIOR ENLISTED GRADES

During fiscal year 1980, significant steps were taken to more closely aline active component Top 5 enlisted grade content with Army needs. Depicted below is a portrayal of Top 5 needs compared with actual fill over time. Additionally, the Army has plans to move the Top 5 grades to 273,000 over the fiscal year 1983-87 period in support of growing requirements and modernization.

ACTIVE COMPONENT—TOP 5 GRADES (E5–E9)

[Top 5 Need versus Fill, fiscal year 1974–82]

	Need	Fill	Difference
1974	296,687	229,255	−67,432
1975	282,296	242,633	−39,663
1976	283,439	242,433	−41,006
1977	289,150	246,356	−42,794
1978	272,063	250,078	−21,985
1979	263,929	248,236	−15,693
1980	264,759	256,076	−8,683
1981	266,530	[1] 261,061	−5,469
1982	268,701	[1] 263,661	−5,043

[1] Programed.

RACIAL COMPOSITION

[Racial composition of the force over time]

	Active component (in percent)								
	Officers			Warrant officers			Enlisted		
	White	Black	Other	White	Black	Other	White	Black	Other
Fiscal years									
1972	95.1	3.8	0.4	94.6	4.4	0.4	80.3	18.1	1.12
1975	92.6	4.8	.8	90.2	5.0	.6	74.6	22.2	1.9
1977	91.2	6.1	1.3	91.1	5.9	.8	70.6	26.4	2.6
1979	89.6	7.3	4.4	91.1	5.9	4.7	63.9	32.2	7.6
1980	89.5	7.3	5.2	87.2	5.9	8.7	62.6	32.8	8.5

	Reserve component (in percent)					
	Officers/Warrant officers			Enlisted		
	White	Black	Other	White	Black	Other
1975	93.7	2.5	3.8	87.1	9.4	3.5
1977	95.2	3.2	1.6	79.6	18.3	2.1
1979	93.2	5.4	1.4	75.4	23.5	1.1
1980	92.1	4.7	3.2	75.3	22.1	2.6

Note: Numbers do not add to 100 percent due to unknown race.

ENLISTED EDUCATION LEVELS

The following is the enlisted composition of active component based on education level. High School Graduate (HSG) percent includes GED equivalents indicated in parenthesis. Shown below is the active component force composition by educational level.

[In percent]

	HSG	Some college	College grads
Fiscal year:			
1973	57.4 (10.0)	10.9	3.0
1978	74.3 (14.3)	9.3	2.2
1979	74.5 (13.7)	9.4	2.1
1980	72.3 (12.9)	8.9	1.9

The percentage of High School Diploma Graduates (HSDG) has increased substantially since 1973, although fiscal year 1980 showed a downturn from fiscal year 1978 and 1979 levels. At the same time, the number who possess some college has decreased. Overall, the percentage of soldiers without a high school education has decreased from approximately 29 percent in 1973 to 17 percent in 1980. Increasing the number of HSDG is important for two significant reasons. First, data developed over years shows that the high school diploma graduate has a much better chance of completing the first term of service than does the nonhigh school diploma graduate. Second, the high school diploma graduate population within the Army is the source from which we select future noncommissioned officers.

There are approximately 30 percent of those the Army recruits who have special needs, but who also possess special qualities the Army can use. Recognizing these human needs, a Basic Skills Education Program (BSEP) has been implemented to provide on-duty, job-related basic skills development for soldiers requiring additional development in reading and math.

ACTIVE ARMY INDISCIPLINE INDICATORS

Indiscipline indicators have decreased significantly in the active component since 1974. The decrease was steady through 1978; however, slight rate increases occurred in 1980. AWOL and desertion rates are up, but continue to be much lower than in fiscal year 1974.

	1974	1976	1978	1980
Fiscal year:				
AWOL rate per 1,000	88.8	45.6	40.4	41.6
Desertion rate per 1,000	41.1	15.4	15.4	19.6
Calendar year: Crimes of violence, rate per 1,000	8.25	6.82	5.84	6.38

In a recently released DoD survey, five percent of active Army respondents (E1–E5) were estimated to be physiologically and psychologically dependent on a drug other than alcohol. Eleven percent of the E1–E5 respondents were estimated to be dependent on alcohol. During fiscal year 1980, the active Army successfully treated and rehabilitated 18,217 military and civilian personnel for alcohol and drug abuse.

The recent House Select Committee Report on Narcotics Abuse and Control singularly commended the US Army (and the US Army in Europe, in particular) for laudable efforts to improve its drug abuse control program and to implement the committee's earlier recommendations.

Another index of overall effectiveness in the force is the number of separations under the Trainee and Expeditious Discharge Programs (TDP and EDP). Shown below is a portrayal of discharges for the last seven years, and indicates a general downward trend.

	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
TDP	13,612	21,290	21,876	18,116	9,523	8,563	11,701
EDP	2,565	12,243	20,888	16,226	12,663	11,292	10,097
Total	16,177	33,533	42,764	34,342	22,186	19,855	21,798

SIGNIFICANT PERSONNEL SHORTAGES TODAY

Continuation rates in the active Army for end fiscal year 1980 indicate that fiscal year 1980 initiatives succeeded in halting the high loss of experienced NCOs. However, improvement is required in these areas; combat arms NCOs, shortage of critical skills and space-imbalanced skills in which the duties demanded complicate efforts to retain experienced soldiers, (e.g., frequent overseas tours, field duty, and family separations).

The Top 5 (E5–E9) enlisted force objective, established by the calendar year 1978 Enlisted Force Management Plan (EFMP) was 263,000 while the actual strength at end fiscal year 1979 was 248,236. To reduce this shortage, the Army reprogramed in fiscal year 1980 to increase Top 5 strength to 256,076. Fiscal year 1982 requirements call for over 268,000 Top 5 soldiers. The Army plans to reach 263,000 by the end of fiscal year 1982, with promotion priority being given to qualified members in the combat arms and other critical skills. Our long range goal, established by the calendar year 1978 EFMP, is 273,000 Top 5 soldiers.

A space imbalance in 37 of the 349 active component Military Occupation Specialties (MOS) currently exists (down from 58 severely imbalanced skills in 1977). This Space Imbalanced Military Occupational Specialty (SIMOS) problem is a result of 55 percent or more of the authorized spaces for each of these skills being located outside the Continental United States (Conus). The SIMOS currently contains approximately 30,500 enlisted service members. The personnel turbulence created by the shorter turn-around time between overseas assignments impacts unfavorably on unit readiness and personnel retention. Legislation (Public Law 579) passed by the 96th Congress, provides incentives to qualified members who extend at designated overseas locations. The new law is being implemented in 1981.

Approximately 43 percent of the active Army's force structure is located outside Conus. The Army has maintained the total enlisted and the NCO posture of its overseas commands at over 100 percent of authorized strength. This policy had a major impact on Conus based forces. A policy change in 1980 saw a redistribution of personnel to bring overseas commands down to their authorized strength. While this change in policy had a positive impact on Conus based units, the Army remains short of combat arms NCOs.

In December 1979 the Army was operating at 90 percent of its Infantry NCO's but by November 1980 the Army saw significant improvement in that group. This is primarily as a result of new promotion policies. In Field Artillery and Armor we have major structure challenges. Both of these fields were increased by over 25 percent in the last few years. Action has been initiated to improve the manning of these two critical fields.

The Army will continue to emphasize retention of soldiers in combat arms and space imbalanced skills while continuing to maintain total strength. As part of ongoing efforts to improve career strengths in these skills, the Army, with congressional assistance, has expanded combat arms reenlistment bonuses for fiscal year 1981. Other initiatives, which would require the assistance of Congress, are being developed, such as aligning pay with service member excellence, experience and level of responsibility; realistic levels of travel and transportation allowances, improved monetary incentives to encourage overseas tour extensions for space imbalanced skills, and relief from dependent overseas ceilings.

On the office side, the most serious problem is the retention of active component warrant officer aviators at the time they complete their initial service obligation. By the end of fiscal year 1981 the Army is estimating a shortage of 892 warrant officer aviators. To reduce this shortage, the Army has proposed legislation to equalize warrant officer flight pay with that provided commissioned officers; cross-training 40 to 50 warrant officer helicopter pilots per year into fixed wing specialties to reduce the monotony of repetitive helicopter assignments; selecting more applicants for appointment with prior military service as these individuals tend to remain on active duty longer than those without prior service; and, voluntarily recalling reserve component warrant officer aviators to active duty.

In fiscal year 1980, the Army reduced the projected active component captain shortage from 5,900 to 3,740. The shortage was a result of insufficient lieutenant accessions during fiscal year 1973 through fiscal year 1976. Although some shortage of captains is expected to remain in fiscal year 1981, this problem will be minimized through fully qualified promotion selection policies, reduction of the time-in-service requirement for promotion to captain to 3½ years, selective continuation of those captains who would otherwise be released from active duty, and voluntary recall programs designed to bring Reserve Component captains to active duty.

To meet Total Army commissioned officer accession requirements, approximately 10,500 officers from he Army Reserve Officers' Training Corps (ROTC) are required annually. The program has been producing about 6,000 officers per year since fiscal year 1977 and is expetced to produce approximately 7,000 officers in fiscal year 1982.

Through initiatives such as additional scholarships, permitting simultaneous membership in both ROTC and the Selective Reserve, and a program to expand the number of campuses where ROTC is offered, the Army anticipates achieving an annual production of approximately 10,000 officers by fiscal year 1985.

At the end of fiscal year 1980, the active component was short of its peacetime physician objective by 646 doctors (e.g., 4,627 assigned versus on objective of 5,273). Although short of the numbers required, the physician end strength "get well" plan is on target with the objective of eliminating physician shortages by the end of fiscal year 1985. This plan emphasizes both improved retention and increased accessions.

SUMMARY

The Army will man the force in the 1980s within the framework of end strength and resource constraints. We will refine the existing enlisted force management plan, and develop similar plans, including an objective force, for the officer and civilian components and the IRR. We will seek to recruit more high school graduates and stabilize that content in a declining market, and actively seek an increase in civilian manpower. We will also seek to improve the management and retention of all components through careful implementation of selected cohesion and stability initiatives. To achieve the force-manning objective within the constraints of the All Volunteer Force, Congressional assistance will be sought for five major programs:

Increase the civilian end strength by 65,000, the number one problem today—commencing with a 10,000 increase in fiscal year 1981, and an additional 11,800 in fiscal year 1982 (a 21,800 increase above the January 1981 Budget request).

Obtain a GI Education Bill with a provision of transferring unused portions of the entitlements to dependents. (Designed to enhance recruiting and retention.)

Reduce the pretrained manpower shortfall by increasing Reserve Component (USAR and ARNG) manning through new recruiting and retention incentives.

Provide adequate pay and compensation for civilians by removing high grade reductions; improving the military pay and compensation system to provide better recognition of excellence, experience, and levels of responsibility; with special focus on the contributions made by the career force.

Improve retention through a better quality of life for the soldier, to include duty and family facilities and conditions.

Success in these five programs will, in essence, chart a course which allows the molding of our Army of the 1980s into a disciplined, well trained fighting force—an Army equal to the task of defending this great Republic.

Senator JEPSEN. Is there anyone else on the panel?

General BERKMAN. I do not have a statement, but I am prepared to respond to your questions.

General TEMPLE. The same with me, Mr. Chairman.

Senator JEPSEN. By way of a time frame of work, I will expect that we will go until about 10 after 9, and then we will break for about 30 minutes for coffee, mainly because I happen to have the Joint Economic Committee final report release, of which I am vice chairman, at 9:30, and it is the only one we have in a 2-year session, and so I should be there.

Thank you for your testimony. I thought it was very well done and all inclusive, Mr. Clark.

MEETING RECRUITING GOALS

In your opinion, now, do you think the Army can meet its recruiting goals during the next 2 years if the Congress does not repeal the quality restrictions and is unable to significantly increase the recruiting budget? That is really two questions in one, and let us stick with the quality restrictions first.

Mr. CLARK. Mr. Chairman, I personally don't believe that the quality restrictions are necessary, but I would like to hasten to tell you that we do not only desire to meet those quality restrictions but also it is our intention to do better. That is our objective.

Now, can we do it? Well, this year, yes, we will meet the requirements set forth in the law. Next year those requirements become tougher and it will be a more difficult task; but, yes, I believe we can do it. Again, that is assuming that we get the full support of the Congress for the resources we set forth before you.

As we look out into the future, I think it is clear that we need, or we are going to need, even additional support. We need to get into markets that we are not getting into today. That is why you have heard testimony before you earlier that refers to the Army's intense interest in the GI bill. I would like to say to you that I feel that that is essential to our long-term well-being.

Senator JEPSEN. Why do you say that? Would you want to elaborate on that? You mentioned it in your testimony and now again. My guess is it is a top priority item with you.

Mr. CLARK. We have an awful lot of top priority items today with the constrained resources we have; but, yes indeed, certainly it is one.

Mr. Chairman, the Army has been, or is being, fairly successful this year in its recruiting, but not only do I see the declining youth population, which is indeed a fact, I also see considerably more intense competition for the same people that we would like to draw into the Army but are not drawing into the Army today; that is, the young man who is interested in continuing his education, the young man who is perhaps more representative of middle-class America, the young man in the high schools today. We need to get into that market.

I believe that a GI bill will not only provide us with the opportunity of penetrating that market and bring in larger numbers of high school graduates, but also it will help us, depending upon the nature of the bill, to retain soldiers in the service and lengthen their term of service.

I also believe that perhaps equally important, we will demonstrate a national resolve or commitment of the Nation not only to education, which we have demonstrated in the past, but also the principle of service on the part of all men and women of our country.

Perhaps General Yerks would like to add to that.

General YERKS. Yes. Getting back to the constraints placed by Congress on recruiting, as you might imagine, as the Army's personnel manager I looked at those constraints with some concern because it required essentially a 40-percent productivity increase in the upper quality of recruits which we had to get into the Army this year.

If I can explain that, with the misnorming of the tests and the 52-percent of the category IV's which we brought in in fiscal year 1980, with the new constraints on the high school graduates and category IV constraints, it means in order to be successful this year we would have to increase some 40 percent the category I's through III's and the high school graduate content of our enlistees.

I did look at that with quite some concern and perhaps was skeptical as to whether or not we could make the jump; but I am encouraged and we are very confident now. In looking back, I must be very candid, it was probably a pressure well applied by the Congress on the Army, because with that pressure we found, or are finding, that we can recruit and meet that 40-percent productivity increase.

Last year, you may recall, sir, our high school content was running, or ran, at 54 percent. In the combat arms input it was around 41 percent. Although two-quarters is not a trend and markets can change, and the job market can change, and so forth, we are encouraged that we are taking about 75 percent high school graduates this year, and we are taking about 69 percent in the combat arms. That is very encouraging to us.

But the competition is getting tougher, not only in numbers and within the civilian sector, and not only is it dynamic with job markets, but also we noticed that the other services, for instance, are increasing their end strengths some 31,000 in the next 2 years. That increase means 31,000 high school graduates primarily that they are recruiting and that we have to compete additionally for.

So, when we talk about a competitive edge and bonuses and when we talk about the need for a GI bill, it is in that context in which we speak.

I think this platter of incentives which we have come up with in the Army is just very essential to meeting our manpower requirements out in the 1980's in this environment. That platter includes a GI bill which does, of course, attract a high school graduate into the service.

You were so correct in your opening statement, that regardless of all of the emotional and all of the opinions and so forth as to quality, the only really firm gradient we have at the present time is that we know that a high school graduate attrites at a rate of one-half of a non-high-school graduate and it makes sense to recruit as many high school graduates as you can. Second, he learns faster; he is more trainable, and we are even seeing now indications that we have less disciplinary problems with the high school graduate. So it makes sense to do that.

On the platter for the future for the Army, in addition to the GI bill, is a real issue of the pay and compensation issue to separate in principle the first-termer from the career soldier because they have different needs. Over a period of time there has been a very distinct compression of the noncommissioned officer pay scales so that his compensation relative to his responsibilities had diminished.

Senator **Jepsen**. Thank you.

RECRUITING TURNAROUND

I want to come back to talk a little bit about why you think that this recruiting quality and flow and so on has turned around. I would like to explore that a little bit from all of the branches, the Reserve and the National Guard and the Active Forces, so we will come back to that.

But Senator Levin does desire to question the panel.

Senator **Levin**. Thank you very much, Mr. Chairman, for not only allowing me to ask a few questions, but also for squeezing me in so early in your session.

I have looked at the December, 1980, study on enlistment standards which has been produced by DOD and I am very much interested in the results. Do you know what study I am referring to?

Mr. **Clark**. I am not sure I know what study you are referring to, Senator.

Senator **Levin**. As I understand it, in December of 1980 the DOD released a report which was a study of correlation between high school graduation and aptitude categories?

Mr. **Clark**. Yes; I am familiar with that report.

Senator **Levin**. Now, December 31, 1980, is the date of that report. It comes from the Office of Assistant Secretary of Defense, and is entitled, "Report to the House and Senate Committees on Armed Services, Implementation of New Armed Services Vocational Aptitude and To Improve the Enlistment Standards Process." For the record, I will identify it that way.

APTITUDE CATEGORIES

I am particularly interested in some of the relationships between the aptitude categories and how our military people perform, and how our soldiers do on the job in particular, and I would like to go over the five measurement classifications with you.

First, let me address the attrition rate from skilled training and whether there is a relationship between the attrition rate in skill training and whether or not someone is in category III or category IV on mental aptitude. The figures, as I have them, are that category IV's do almost precisely the same as category III's in terms of attrition from skill training. Is that true? There is a 7-percent attrition rate for category IV's and there is a 6-percent attrition rate for category III(b)'s and 6 percent for III(a)'s, and 8 percent for III(a)'s who are non-high-school graduates, and 10 percent for III(b)'s who are non-high-school graduates.

That means that actually category IV's do better in terms of attrition from skill training than do category III(a)'s and III(b)'s who are non-high-school graduates. Are those figures correct?

Mr. CLARK. I am afraid I can't comment on that particular element. It was my perception that the report indicated, by and large, people who scored better did better in their training. We looked at the correlation not between the Armed Forces qualification test [AFQT], which is the category you are looking at, but the area aptitude scores which are those that determine the particular skill into which somebody can enter.

There is a definite correlation between area aptitude scores and academic attrition in the training establishment.

Maybe General Yerks can comment.

General YERKS. You are correct in your assertion on those figures. Over a period of time we have found that there is less correlation in attrition and the so-called mental categories, less correlation there, of course, than there is between a high school and a non-high-school graduate criterion which we have expounded upon earlier here this morning.

Senator LEVIN. I would like to go through these figures. I think they are so significant and they actually show that in four out of five measurements categories, IV's do better than category III's. In the category that they do worse, they do just about as well in the infantry specialty which is a major group in the Army and which has about as many people being tested as all of the other groups put together.

The only restriction that we have in the law now is on category IV's. The high school requirement is a 1-year authorization figure that runs out. Yet, the one that is in permanent law is, according to these statistics what the Department of Defense considers completely irrelevant to any of the measurements of job performance.

I would like to finish going through these figures because they are the first hard evidence that we have on the relationship between the aptitude categories and the five performance measurements which DOD uses.

First, the attrition rate from skill training, depending upon how precise you are with the figures, shows no relationship, I think, in fairness; and if there is any relationship, there is a smaller attrition rate from skill training for category IV's than there is for category III's, when you combine both high school and non-high-school graduates.

Second, there are the skill qualification test scores, to which I think you were referring.

General YERKS. That is not what I was referring to.

Senator LEVIN. In this one measurement there is a correlation between the aptitude categories and the skill qualification test scores, but on the critical category of infantryman there is just about no relationship; it is 83 percent to 77 percent, comparing category III(b)'s to the IV's; and so there is a very small relationship, if any, in favor of the III(b)'s over the IV's on infantryman.

On the other skills, there is a decided relationship. I think it is fair to say that just about everybody that goes into those skills is placed. In other words, is it not true that a category IV person is going to be placed, provided he meets the other measurements and doesn't attrit from skill training?

Mr. CLARK. That is not quite right.

PLACEMENT BY APTITUDE AREA

General YERKS. That is really not accurate. I would say we don't place any soldiers by mental category, unless I misunderstood your question. We place our soldiers by aptitude area. We do not recruit by mental category.

Senator LEVIN. I think I meant to say aptitude. You will find an aptitude for a category IV who doesn't attrit. I don't want to gloss over that because there was a difference on that one measurement, but let us go down the line to the next three measurements.

Completion of the first 3-year term is the next measurement. In this measurement category IV's do a little better than do the category III(b)'s and a little worse than the category III(a)'s. There is a 26-percent attrition rate on III(a)'s and a 29-percent attrition rate on III(b)'s, and a 27-percent attrition rate on category IV's, according to my statistics.

Is that a correct representation of the figures of your study, or the DOD study?

Mr. CLARK. I believe it is.

Senator LEVIN. Assuming those figures are correct, and the study is available to the subcommittee, what this shows is that there is actually a lower attrition rate on category IV's than III(b)'s by two points, It is one point higher attrition rate that category III(a); but, again, it is slightly better than category III's or about the same, depending upon how precise you want to be.

The next measurement is eligibility to reenlist after the first 3 years. We have a 78-percent eligibility on category IV, only a 76-percent eligibility on category III(b)'s, and a 75-percent eligibility on category III(a)'s. So here category IV's exceed both the III(a)'s and III(b)'s on eligibility to reenlist.

Mr. CLARK. May I make a comment on your use of some of these figures?

One thing you have to bear in mind is that we have not intentionally been enlisting non-high-school graduate category IV's. We have been enlisting high school graduate category IV's. Given that fact, you have to be careful how you are comparing a mix of high school and non-high-school graduates category IV with non-high-school graduates in other categories. I believe that might skew such a comparison.

We know that high school versus non-high-school have considerably different rates.

Senator LEVIN. I think that is an important point. You are not accepting any non-high-school category IV's?

Mr. CLARK. Not at this time.

Senator LEVIN. I don't have any problem with that. I have a problem with putting a statutory limit on high school category IV's, in effect, when the statistics show us that high school category IV's do better by four out of five measures than do the entire classification of category III's both high school and non-high-school, and we accept non-high-school category III's. There is no logic to putting a legal limit on the number of category IV's albeit high school graduates, when they do better on the average than does the entire classification of category III's.

Now, your point is absolutely correct, that that does not diminish, I think, the impact of these statistics. In other words, category IV's actually make the best soldiers in terms of eligibility to reenlist, and they are better soldiers than category III's, and by percentage of 78 to 76 to 75.

On the last measurement category, promotion, the percentage of category IV's achieving E–4, which, as I understand this study is the normal grade at the end of the first term, is 83 percent whereas III(b)'s have 80 percent, and III(a)'s have 79 percent, so by this measurement, category IV's also do better than III(a)'s and III(b)'s.

Mr. Chairman, I don't want to take too much time of this subcommittee and the Chair has been very gracious with me in terms of allowing these figures to be in the record, but if there are any differences in these figures between what I represented and what the study shows, I would assume that that would be corrected for the record.

Mr. CLARK. We will do that.

Senator LEVIN. Does this also not show that there is no factual justification for putting a legal restriction on category IV recruits, albeit they are all high school graduates—I understand that—but there is no legal, factual justification for placing a legal restriction, according to this survey, on the percentage of category IV's that we enlist in the Army?

Mr. CLARK. I think we have indicated, Senator, that we would prefer not to have legal restrictions.

Senator LEVIN. I understand you have indicated that you would prefer not to, but my point is that is it not an absolutely conclusive finding of this study that there is no factual basis for that legal limitation? There may be an administrative reason to try to have as many high school graduates as you can get. I can understand that because there are differences in the number of measurements between high school and non-high school. But in terms of putting a legal limit on the number of category IV's, this study indicates there is no factual justification for doing so. Is that a fair conclusion?

Mr. CLARK. I really would hesitate to come to that conclusion. The data that you are citing as a matter of fact were all put together by the Office of the Secretary of Defense and we did not participate in the development of those tables. It is my general conclusion—and I would like to really do this for the record—that category IV high school graduates will have greater difficulty in training than category III(a) high school graduates in terms of their academic attrition.

Senator LEVIN. What are the figures you are pointing to?

Mr. CLARK. I am not pointing to any figures. That is why I am going to have to take a look at that data and see if there are any definitive comments I can provide for the record, Senator.

[The information follows:]

CATEGORY IV AND TRAINING

Although specific data is not readily available on academic attrition in training, experience reveals that difficulties in absorbing training are greater for category IV enlistees. We are collecting data and expect to have the information available for fiscal year 1981 enlistees.

Senator LEVIN. I would like to offer this study of the DOD for the record, and if there are any other members of the panel who have comments, subject to the will of the Chair, I would like to hear from them, unless you are disassociating yourselves from a DOD study which must have had Army cooperation; I don't know where else they would get the figures from.

This shows conclusively in four out of five of those classifications, the category IV's do better than category III's.

General YERKS. If I could just make a comment, Senator. I think I initially mentioned that your assertion of the category IV's, that there is really very little correlation between attrition and the so-called mental categories.

I would also like to remind you that traditionally the Army has not utilized the category IV, the mental category rates, for any meaningful purpose within the Army, except for reporting purposes. We do not use it to recruit, and we use the category, the AFQT's, separately, and we use the aptitude area groupment scores in order to recruit and place in MOS's.

We do find, however, in fairness, that there is some relationship, a statistical relationship of figures, that shows that the category IV soldiers do have disciplinary problems in a slightly greater percentage than the higher mental category high school diploma graduate. But as far as performance is concerned, once that category IV soldier goes through the screens of training and testing and leadership, when he gets out into the field he performs very well.

Senator LEVIN. I am glad to know that the Army does not use category for any purpose, because it is obvious that there is no factual justification for using it.

I would like to see those test scores, or those scores that you have on discipline.

Mr. CLARK. I will submit those; yes.

[The information follows:]

CATEGORY IV AND TRAINING

Mr. CLARK. The following data was extracted from the Office of the Deputy Chief of Staff for Personnel Report 374, Male Enlistment Attrition Losses for Cohort Groups 1977, 1978, and 1979 as of November 1980. These data show that Category IV soldiers do have a slightly greater percent of adverse attrition losses than other high school diploma graduates of higher categories. It is important to keep such comparisons within the context of high school diploma graduate because we know that the high school diploma graduates of any category are better risks in terms of attrition and indiscipline indicators than any non-high school diploma graduate accession. Adverse attrition losses are those generally attributable to some inability to meet disciplinary standards, i.e., the Training and Expeditious Discharge Programs (TDP) and (EDP), unsuitability, drug abuse, misconduct, resignations or discharges for the good of the service and punitive discharges. We are developing a system to better capture indiscipline indicators by category for future use.

ADVERSE ATTRITION MALE,[1] AS OF NOVEMBER 1980

Cohort group	Months in service	Educational attainment	Category in percent		
			1–IIIA	IIIB	IV
Fiscal year 1977	36	HSDG	14.6	19.2	19.9
		NHSDG	35.3	39.6	37.7
Fiscal year 1978	26	HSDG	13.4	16.4	17.6
		NHSDG	33.4	32.6	23.4
Fiscal year 1979	14	HSDG	9.5	12.0	11.7
		NHSDG	24.8	24.9	18.5

[1] Adverse attrition equals training discharge program, expeditious discharge program, unsuitability, drug abuse, misconduct, resignation or discharge for the good of the service, punitive discharge.

FEWER DISCIPLINARY PROBLEMS IN AVF

Senator Levin. But we don't have those. We find, or at least the statistics that I see, show that the All-Volunteer Army that we have now has fewer disciplinary problems than the drafted Army.

Mr. Clark. That is correct.

Senator Levin. I have taken too much time.

Senator Jepsen. You have not. This has been very informative, listening to this. The thread that is missing maybe in this whole fabric of this research or conversation is that we are dealing with minimums or bare minimums of the testing, and that you do have percentages and statistics on the five categories but there isn't anything that really tells how well these people perform their job.

I understand there has been some studies on that; is that correct?

Mr. Clark. That is correct. We recognize that other than the high school/non-high-school graduates, the tools we are using for screening are crude at best; that is, the initial screening. We do have a major effort underway to try to develop a better correlation of performance and the characteristics that individuals have upon entrance, so that we can do a better screening job.

Senator Jepsen. My concern—and this is excellent and we are in debt to Senator Levin for examining this and getting it up and this is the type of complete examination we need to make as we develop this—it does seem to me that one thing for sure, and I guess it kind of reinforces what we were talking about earlier, we know that high school graduates, whether category IV or III or whatever it is, survive?

Mr. Clark. Yes, sir.

Senator Jepsen. But if we stop there, how long can the Army tolerate having people that are on that survival rate and how well do they perform?

Mr. Clark. There is another factor that we should keep in mind. There is a distinct correlation between the area aptitude score—mechanical, electrical aptitude and so forth—that determines the individual's eligibility to enter into a particular skill and academic attrition. This occurs in the initial training phase. We raise certain scores at different times to introduce that attrition.

Having said that, there is also a statistical correlation between the AFQT and the area aptitude scores. But, again, I would like to emphasize the point that General Yerks made: We don't use the AFQT score except as a minimum for any purpose.

Senator **Jepsen**. Please proceed, Senator Levin.

Senator **Levin**. Thank you, Mr. Chairman.

I am really intrigued. The only classification that we have written into the underlying law is on category IV, which the Army does not use and finds it to be basically so unsubstantial that it doesn't use it.

The high school graduate argument I am willing to leave for another day, because I wanted to get into the category IV one this morning. These statistics are so startling to me, that we have written into the law a differentiation based on actually no factual substantiation.

General, would you agree with that?

General **Yerks**. Senator, I agree with that, and I think the record will show that when the debate and the hearings took place last year, when that legislative restriction was put in, the Army pointed that fact out clearly in the hearings.

We must not preoccupy ourselves with the category IV's when the real gradient which addresses the attrition, is the high school graduate and non-high-school graduate. That is where our concentration must go, because we have really factual data over a period of time that the high school graduate, if just for nothing else other than on an attrition basis and cost-effectiveness basis, is the soldier whom we desire to enlist in the services.

Senator **Levin**. Could I ask one more question? And I have really taken undue liberties with the subcommittee, but does the individual soldier know whether or not he has been categorized as category IV or category III?

Mr. **Clark**. He may know because in earlier days we used to put the score that resulted in that categorization as a part of his initial records. That score has now been removed from his records and as you may remember, there was considerable controversy about the removal of that score from his file.

Of course, it is the area aptitude scores which are more pertinent to the kinds of skills that he has aptitude for.

I might add one other thing: One of the things that we in the Army have been deeply concerned about—and General Yerks, I know, shares this—is the demeaning of the soldier by so much of this discussion about the low quality. It is unfair to so define men and women who are serving so damned well out there today.

Senator **Levin**. Particularly on the category IV people who do better than the category III's.

May I ask one more question? I also would request leave to ask a number of questions for the record.

Does the artificial statutory limit on category IV's run a risk of creating a personnel shortfall in the Army?

Mr. **Clark**. Not at this time.

Senator **Levin**. Could it in the future?

Mr. **Clark**. Possibly it could.

Senator **Levin**. And if it did, would we not only be artificially creating a risk we don't need to run in terms of the survival of the

All-Volunteer Army, but also would we not be denying enlistment to people who are capable of satisfactory performance?

Mr. CLARK. Certainly.

Senator LEVIN. Thank you, Mr. Chairman.

Senator JEPSEN. Thank you, Senator.

The Chair recognizes someone who will always be "Mr. Chairman" to me.

Senator STENNIS. Thank you very much.

I am here because I am interested and concerned with the subject matter generally. My views are well known, and they are based on my life's experience in dealing with people.

VOLUNTEER FORCE CONCEPT

I have rather marked conclusions which I don't think can be put in a formula or anything like that. I tried every way I knew how back when I was chairman of the committee to talk about the volunteer force concept. I went out to military installations and had conversations with these young people in private. I reached the conclusion it was impracticable when we have to have something to supplement the volunteer force.

I think under our system until the President of the United States sees fit to take the lead on the position of some kind of Selective Service Act—not like the one we have—I don't think it is possible to get this question of need over to the people and to the Members of the Congress. He is chief of the military and civilians, and the military uniformed people, and they are the ones who know the situation; they are not free to give their opinions—and that is not criticism of them; it is the system under which we live. I like the system mighty well, and so I am willing to take time. I don't look upon this as a job by any means.

If we are going to make it just a job, then we could get all of the tables and apply those rules, but we are not looking for someone to give a job to; we are looking for someone on another basis altogether who will perform or can perform.

I don't want to ask any questions now, but I wanted to come to the hearing. I will appreciate your counsel at any time as well as that of other members of the committee.

Senator JEPSEN. Thank you, Mr. Chairman. You honor us with your presence.

Senator STENNIS. I am glad to be here.

RECRUITING QUALITY

Senator JEPSEN. Going back to what I said I would come back to, we wanted to examine a little bit why you think in the last two quarters that the recruiting quality and numbers and everything have turned around. It might help shed some light on whether the fact that we had this quality restriction on—and whether that in all fairness had anything to do with this or not, I don't know—I am not trying to defend it.

I thought Senator Levin brought out some very interesting figures this morning and as someone said, once they change their minds about something, no one ever explained it to me that way, and I am looking forward to hearing and receiving and examining some additional evidence on this categorizing thing.

I might add—and I know how strongly Senator Stennis feels about duty and honor and the men and women in uniform, and I do also, and it is interesting to hear him refer to them, his meeting with the corporals and sergeants and so on—I have to stop and think what an E–1 and an E–2 is. I would like, among other things, to have them re-examined as far as what we call our soldiers.

You talk about morale and the feeling of pride and one thing and another, and this computer age where we have numbers for everything and you shove someone in here as an E–1 and an E–2, and you ask why they don't have an esprit de corps. I was a buck sergeant and that is what I was when I was discharged from the Airborne, and I was pretty proud I was "a sergeant"; it rang in my ear. What is a sergeant now, an "E–5" or something, and that wouldn't really make me feel that good at all.

Mr. CLARK. We don't address him as "E–5 Smith"; we do say, "Sergeant Smith." But I agree with you, it is a classification that depersonalizes the responsibility at times.

Senator JEPSEN. There is the whole fabric; it is one of the threads, our men and women in uniform, and what we call resolve, will, duty, and honor. It is one of the things that I think we have to look at if we are going to have these people filled with emotion and resolve about this. If we are going to have that, I am not sure we ought to be calling them numbers. We ought to give them a title; they deserve it.

I have talked on that so long I forgot what my other question was. We were talking about recruiting, that it had improved?

HIGH SCHOOL MARKET

Mr. CLARK. If I could make a few comments—and I would like General Yerks to do so also—one of the major elements has been the resource support that this Congress has provided, and indeed, the resources have increased dramatically in the recruiting arena over the last couple of years. As a matter of fact, between 1979 and 1980, if you are dealing in constant dollars, it was about a $30 million increase, or a 10-percent increase. Of course, we are continuing to budget for an increase in recruiting resources.

The second element is emphasis, command emphasis, and as some people have said, the good No. 10 boot is still an effective management instrument. We did find that many of our recruiters had for one reason or another gone to those areas in which recruiting was the easiest, and it is not surprising. However, by some very strong management initiative on the part of the commanding general of the recruiting command, he has demanded and forced his recruiters back into the less productive but more needed market, the high school market.

General YERKS. If I can just step back in history a couple of years and perhaps give some dimension to the discussion. In the early years of the All-Volunteer Army the recruiting budgets were in the $300 to $500 million range. Over a period of years, due to reduced requirements and so forth, this budget was reduced down to around a $200 million level.

Now, this came to a crisis stage in 1979 when we underrecruited some 19,000 soldiers. The focus was that we underrecruited in numbers where the real wound was in the so-called quality market because our recruiters went to the easier market, the non-high-school graduates, and we got out of the high schools and lost our contacts and so forth.

Since 1979 all of the concentration in the bonus program, which was provided by Congress, has been to the high school graduate and the upper mental category soldiers; so it has been a combination of resources and management, as Mr. Clark has mentioned, on the part of the Recruiting Command that has somewhat turned it around.

But I must throw a caution here: The so-called marketplace out there is getting rather tight and there are requirements for increased end strengths and so forth. We are just about at the end of the line as far as recruiting numbers of high school graduates with the resources that we wish to put into the programs.

As an example, if we get our end strengths up and requirements up above an 800,000 level, we feel that is just about the maximum level that we could support reasonably with bonuses and so forth. That is why we are concerned with the 31,000 increase in the Air Force and the Navy in the next 2 years, because it is going to draw directly from the high school market.

BONUS PROGRAMS

But we are doing better because we have provided the resources, or Congress has provided the resources, and all of our bonus programs are directed at the high school graduate at the present time; plus, you may recognize in the new advertising campaigns the emphasis on technology in our new video and so forth. Our market analysis shows that technology attracts high school graduates and that is the emphasis in our campaign.

Senator **Jepsen**. You went from a $3,000 to a $5,000 bonus last September; is that correct?

General **Yerks**. That is correct.

Senator **Jepsen**. Now I understand that you are asking to go to $10,000?

Mr. **Clark**. We are seeking legislative permission to have that flexibility, yes, sir.

Senator **Jepsen**. Have you any figures on the percentages, and has the $5,000 had some role to play in attracting people to the service?

Mr. **Clark**. Keep in mind that the bonus has two purposes—to attract people into the Army and to provide us with a management tool so we could distribute them to the kind of skills we want. I don't believe we have any definitive information—perhaps General Yerks has—on any reaction to the increase in the bonus at this point.

General **Yerks**. We have no fresh information as to the beneficial effects of the $5,000 which we got in the last Congress.

Senator **Jepsen**. Then the request for raising that $5,000 to $10,000, or making that available, is not based on any facts and figures; it is some feeling that someone has that that is the right direction you should be taking, and is that why it is requested?

RECRUITING STILL DIFFICULT

Mr. **Clark**. Yes; plus the fact that indeed recruiting is still difficult. I believe General Yerks pointed out, we are not attracting into the combat arms the proportionate share of high school graduates as, for example, we are attracting in other skills. I, for one, don't happen to be one of those people who believes that the combat arms can simply take all of the less talented people and be successful.

General **Yerks**. We used the term this morning, "the competitive edge," and we feel we have a larger problem in the Army in manpower. I think it is our consensus that we need a competitive edge over the Air Force and the Navy out in the recruiting market. We feel that the $5,000 to $10,000 is required if we are to maintain or gain a competitive edge. Inflation alone has eaten into the bonuses in the past. We are certainly not out of the woods in the combat arms or in critical skills.

Our overall figures are good, and our high school content shows improvement, and we see still attrition out of our combat arms upon reenlistment. We just need to make our combat arms and our critical skills where we have shortages more attractive in the enlistment market.

WOMEN IN THE ARMED SERVICES

Senator **Jepsen**. Well, let us keep pursuing this end strength and bring into the discussion here the dimension of the women in the armed services that you indicated, that you are feeling some concern about now.

I think your statement was that the Army staff is currently taking a new look at the entire issue.

I would ask that the increased end strength is required in an increased female objective which the Army has been unable to achieve in recent years. That is in your statement. It says today 94 percent of the Army skills are available to women.

I just recently returned, as I think most of you know, from visiting the Armed Forces in Germany and I am very much interested in that statement on page 17 of your testimony, where you say you are currently taking a new look at the entire issue of women soldiers.

What prompted that and what issues are you currently examining?

Mr. **Clark**. We have about 61,000 enlisted women in the Army today. As you may or may not know, the Army had been given guidance from the Office, Secretary of Defense to substantially increase over the next few years the number of women in the Army.

Among the concerns that we have been having, is one, the attrition rate, the much higher attrition rate that would occur, as you well know; and, No. 2, you are aware of the issues of pregnancy and sole parents—although the issue of sole parents is not confined to women as we have men who also fall into this category. Having been in Europe, I am sure you are aware of the feeling of the commanders about the large number of women in particular kinds of units. Therefore the aggregate number of women had a potentially—or probably had a negative impact upon their units being combat effective. So our concern is about the combat effectiveness of our organizations as you have large numbers of women assigned to these units.

We are hesitant, as a matter of fact reluctant, to continue with increasing the number of women as directed by the Office, Secretary of Defense until such time as we had a better understanding of whether we should tighten up some of our policies and whether we could determine what the adequate levels of women are for assignment to units with minimal impact on that unit's combat effectiveness.

So, very candidly, we are trying to hold the line right now on the number of women in the Army.

Do you have anything to add?

[No response.]

Senator JEPSEN. Well, I know that it seemed to me that on the bases I visited in Europe, many of the women were actually stationed in kind of a quasi-combat position, and if you had a firefight, they seemed to get closer to the front.

I guess, again, I would like to re-examine or question. It would mean being called upon to fill the gaps in combat in the manpower pool, and the statutory limitation of category IV, and the high school, non-high-school positions, or what has happened?

Mr. CLARK. We have a lot of women in the Army, and most of them are doing a really fine job, as I am sure you understand. They are valuable and productive soldiers.

Senator JEPSEN. I like women, and I think everybody here does, and this is a new day and a new beginning and a new climate.

Mr. CLARK. The Army has accepted the fundamental premise that women will be killed and wounded and captured in the event of the next war. I would like to emphasize my concerns on the combat effectiveness of the organizations, as you have large numbers of women in them.

Now, there are those who feel that the threat of killing and wounding of women is of overwhelming concern, but I think that is more of a societal problem. Once again, I emphasize my concern is that of the combat effectiveness of those units to perform their mission. That is the point at which we are deeply concerned right now.

MEETING OVERALL GOALS

Senator JEPSEN. Could you meet your overall goals if women were ineligible for enlistment, do you think?

Mr. CLARK. Not without an enormous increase in resources. We are talking about our program before you this year, which shows us bringing about 25,000 women into the Army, and to add 25,000 males to our goals would be a very enormous task. I have personal doubts whether we would be able to meet that goal.

Senator JEPSEN. You have indicated that, too; is that correct?

Mr. CLARK. I personally don't think it is a question of whether we should have women in the Army or not have women in the Army. I think it is a question of the degree of reliance that we are placing on women in terms of the large numbers and combat effectiveness.

General YERKS. I would like to comment if I could, sir, and first let me clearly indicate that our women soldiers today are doing a superb job; but the time has come where we have seen indications in readiness reports and so forth that there may be some really adverse impacts on readiness.

We are charged with the security and ground security of our Nation and that is a rather grave responsibility. We see that we have some adverse impacts, or at least indications of it, by just simply the large number, up to 87,500 enlisted females, which has been directed in the past. We find that some units, medical units, for instance, some 40 percent are women soldiers. Is 40 percent too high? I don't know, but I have a gut feeling it is, because they are running into problems just in simple physical problems of lifting litters and so forth.

IMPACT ON READINESS

We find that there is just an overpreponderance of females in some of the signal units. They are different from men. I am not sure whether the arbitrary ramp up to 87,500 enlisted, which was directed upon us, was done with anything other than just some cursory or arbitrary thought. We have limited action to examine policy and programs by several areas where the presence of women may impact on combat effectiveness and force readiness, We hope or we intend in the Army to stay at about the 65,000 level of enlisted women soldiers at present and take a look at the pregnancy issue, where you have 10 percent of your females pregnant at any one time and what are the real impacts on readiness, and what are the impacts on other soldiers having to pick up this slack.

We have some 18,000 sole parents in the Army, and certainly the largest number of those are males, but look into that figure a little closer down to the first-termer where the greatest impact on readiness is.

We can take a look at the specialties which we have opened up to females. Maybe we have done something unfair to the females, in that we haven't allowed them a career pattern that has the opportunites that some of the males have. We are starting to get some really hard data, really hard data, on the impact of females on our force, and I think we owe it to our country to idle our motors a bit and find out what we have and report out on it before we proceed any further on increasing our number.

Senator JEPSEN. I would suggest that our armed services are in being to provide the national security of the country and not to provide a foundation for any social experimentation. If we get that proper perspective, then we will respectfully go on from there, and I think it will work.

Senator, I have a need to be gone for about 20 minutes or so. Would you have the time to carry on here?

Senator STENNIS. Yes.

Senator JEPSEN. I would ask you to chair the meeting, if you would.

Senator STENNIS [presiding]. As I understand, this is an open session, is that correct?

Mr. CLARK. Yes, sir.

Senator STENNIS. Gentlemen, you have already heard me say I am here to learn and planned to come here today and hear the testimony. Senator Jepsen here is one of my favorites, especially among those Senators who were elected in the last few years, and whatever he does is done well. So, I am glad to try to carry on here.

Let me say this about the issue of registering women, and maybe my silence would be interpreted as being indifferent. The point was made and argued here last year about the registration bill being unconstitutional because it did not require the registration of women.

With all deference, I didn't have any patience at all with arguments of that kind. As a practical matter, the American people by a huge majority are totally opposed to the drafting of their daughters. They are not going to change their minds on that issue until there is a very severe necessity for it to be done. That is a basic sentiment of the country. Commonsense is the basis for that sentiment, and it is not going to change.

So I, too, have some ideas, firsthand, of your problem in the Army of getting along on this volunteer force concept which is an old concept; but I know how you work and I know something about being out there among you. We have had some terrific drives for recruitment and some of them didn't reflect any credit on the military or Congress.

NOT ENOUGH DISCIPLINE

I talked to many enlistees in private. They have told me their impressions. I go through the Atlanta Airport a good bit and waiting there for a change to another flight, I see people in uniform. I am flattered young people recognize me or someone tells them who I am, and they come up and want to talk about the service. These are men in the service. I know how to talk to them at any level—so-called level of society. They are very frank in their answers.

I invariably ask them if they are going to reenlist and they say, no, and I ask them why. I was amazed at the number that give in substance this answer: "There is not enough discipline". And I said, "What do you mean, not enough discipline?" And they say, "The Army is so held down and circumscribed that it seems they can't make rigid requirements at the unit level. I just rather would get on out because I don't think the requirements are rigid enough to instill discipline".

That is what they said to me. I know they are referring to us, and to some of these civilian laws that we have passed where the Army has little control over these men. They can resort to the courts and so forth. There are requirements that a citizen has in a civil court and I feel responsibility in that field. I had nothing to do with the passage of that law, but I know we are up against a practical matter. I have been driven to the conclusion that I would be willing to just reduce the size of the Army.

SATURATION POINT IN RECRUITING

You are talking about reaching a saturation point in recruiting, and reducing the regular number and putting that same amount of money into an effort to build up the Reserve units. I say that with all due deference to the Regulars. I find in almost every community there are some young people, who have some love for the military and would like to be in the military to a point, but they do not want to make it a career. They would come into the Reserve units and they would be good men, and women, too, perhaps. They live there in the community and they are a part of the schools, churches, and part of the clubs, and they have a lot of influence in those communities. They are leader types. They are the best people that you could have. We could use them. I don't think we should rely entirely on voluntary forces as we have it now.

Now, I just speak of that to just keep from leaving some kind of inference as to how I may feel.

What about the proceedings here, Mr. Clark, you were testifying. Have you finished your statement?

Mr. CLARK. I had finished, but let me follow up on a comment that you have made.

RESERVE COMPONENTS

Up until this point the discussion has been about the active part of the Army, and I want to emphasize that all of us, and particularly the two gentlemen on the far side, have great responsibility with respect to our Reserve components.

I would like to submit that we have made enormous strides in the improvement of our Reserve components in the Army. We are damned proud of the progress we have made. I recall your comment that we have some Reserve units out there that are every bit as good as active units, and clearly, however, there are certain kinds of units that because of the limited training time, will never be as good as active units, but we have some fine ones.

Perhaps General Berkman or General Temple would like to comment.

Senator STENNIS. I would welcome their comments.

General BERKMAN. I am Bill Berkman, Chief of the Army Reserve, and I appreciate your comments with respect to the Reserve components, and I appreciate the support that this committee under your leadership and under current leadership is providing for the wellbeing of the Reserve components.

Mr. Clark referred to the successes that are happening out there, and I would reemphasize that, particularly with respect to the troop program units in the Army Reserve. As an example, the end strength in 1978 of the troop program units of the Army Reserve was 186,000. The current end strength is close to 209,000, representing a 23,000 increase in the end strength over that period to time.

Our projections continue to grow. This increased end strength is attributable to a lot of things. It is attributable to the recruiting partnership with the Recruiting Command, the increased retention that is taking place in the units as a result of a lot of effort on the part of the leadership down through the chain of command, on emphasizing training, better training, and better training management, and, of course, the incentives for enlistment, the enlistment bonuses and reenlistment bonuses that have been provided. All of these things meld together and provide a significant success story.

To continue looking out into the future, that kind of support and the additional required support, in order to make our goals, which of course are units capable of performing their wartime missions. We are still short of those goals; but with the support of the committee, our citizens, our employers, families, and reservists, I think our future looks optimistic.

Senator Stennis. Thank you very much.

These hearings are held to give us an opportunity to make your views known and give the membership a chance to ask questions. Let us go back to the regular panel, if that is agreeable.

Mr. Clark, have you finished your statement?

Mr. Clark. I have finished.

Senator Stennis. You have all finished your testimony?

ARMY NATIONAL GUARD

General Temple. That is not correct. I was not given an opportunity to speak for the Army National Guard. I am the Deputy Director for the Army National Guard, and when you were speaking of those outstanding Reserve component units, I thought you were speaking of many of those from your own State of Mississippi.

Let me go back and talk about the strength of the Army National Guard.

Mr. Clark alluded to that in his statement, where he talked about the gains that have been achieved during the past year insofar as the Guard and the Reserve. If you go back and look at the strength and history of the Army National Guard since the conclusion of the Vietnam era, it steadily declined. What turned that around? We are now experiencing some dramatic events insofar as strength of the Army National Guard, and you and the leadership of the National Guard played a key role in making this possible.

INCENTIVES NEEDED

Speaking about the incentives, it was the latter part of 1979 and on into 1980 that we began to feel the true impact of incentives of the Army National Guard. Then, those incentives were focused on a relatively narrow base of the Guard. In 1981 they were spread out a bit further. But to take full advantage and give us that dramatic turnaround that we really need, we need incentives across the total force of the Army National Guard.

In addition to incentives, for the first time in the history of the Guard we now have professional recruiters, and you played a role in giving those to the Guard.

As you remember, historically, each Guardsman was out recruiting for his own force. We couldn't continue to do that and maintain the level of training that was necessary; so we brought on a professional recruiting force. We structured it not unlike a modern marketing organization so the States could provide supervision. Because of that very close fiber that has always existed between the Guard and the community, we have had no difficulty in getting into high schools and many times into the junior colleges in the area to recruit those kinds of people that we want in the Guard.

We have also focused on the issue of raising the quality of the recruiters so that they can articulate the Guard's story at an ever-expanding level so that we can get better quality and productivity from them.

In addition to full-time recruiters, in 1980, we focused our attention to keeping the people that we have in the National Guard. There are several ways to do this. One is to tell them you care about them and in addition give them the training they expect and the discipline that you mentioned, that they are looking for. In addition our retention management program has had a rather significant effect in reducing the number of personnel losses experienced in the Army National Guard during fiscal year 1980.

This year, for the first time, we will place noncommissioned officers at State headquarters to put together a framework of retention organization.

We have some extremely capable soldiers in the Army National Guard and we want to keep them, because, as you pointed out, the market is declining.

Sir, that is why we turned our strength picture around, and we need your continued support in these areas,

Senator STENNIS. That is a fine statement. I am proud that you have given us those facts, and that they are true. You are making headway.

You will remember a few years ago the Army Reserve—the Pentagon just undertook to abolish it, and they didn't want to have it any more. We jumped in here and put together the best we could at a hearing, and I think that really brought the thing out, and the fact that you had the success, I think that turned into the best advertisement you could have gotten and we have developed the facts and we have been on sounder ground ever since, and we were able to get an extension out of the Congress, too.

General BERKMAN. We appreciate that support.

Senator STENNIS. Now, I have learned this: I used to be handling military bills on the floor and I would get into trouble and plenty of tight places, and I would send for a Member to come help me, and I would tell them, "Send me an ex-Governor who took an interest in the National Guard and Reserve units while he was Governor." And they would come and help me out a great deal, too.

Then finally here came Senator Exon from Nebraska, a new member of our committee, and even while he was in his first year, I learned to send for him when I got into trouble in the debate. So he was prepared and it wouldn't take him long to get prepared. I am glad he came in. He is on this subcommittee.

Senator, you know the purpose of the hearing, so we will recognize you.

Senator EXON. Thank you, Mr. Chairman.

Gentlemen, I am delighted to see you here before the committee this morning.

I continue to maintain that this manpower problem is one which we have to continue to work on and as the chairman said, while I was serving as Governor of my State, we worked very hard and went through some very difficult problems with our National Guard. But I am pleased to say that through a whole series of actions, the Nebraska National Guard is now in relatively good shape and doing quite well.

Now, therefore, I think it is critically important that we continue to work together on legislation which we think is important in this area.

ENLISTMENT BONUS

I would like to go back—and I guess there have been some statements this morning—but I would like to get your amplification on this matter of a $10,000 bonus that was suggested yesterday for what I believe the record will show to be specialized occupations. We asked what some of those were, and the witnesses here yesterday indicated that that could be an inducement, because they are having difficulty getting people to go into the infantry.

Are each one of you, or all four of you, suggesting that you are recommending to the Congress that we go up to $10,000 for original enlistments by 18-year-old individuals? Do you think that is reasonable?

Mr. Clark. Let me comment on that.

As you well know, we just recently went from $3,000 to $5,000 as the maximum that can be paid for an enlistment bonus. The combat arms has been one of the areas in which we have had difficulty in attracting qualified people into that particular skill. There is not much demand for the technical skills of infantrymen in civilian life. It is not so much attracting numbers of people, either. It is attracting the spread of the kinds of people we want to have in these skills. As a matter of fact, we are not attracting the same proportion of high school graduates into combat arms as we are into other skills.

We, indeed, need equally qualified people in the infantry, the armor, and artillery as we do in the other skills. It is not just, however, for the combat arms. What we are asking for is the flexibility to go to $10,000. It is not my thought that we would automatically go to $10,000 at the outset. Indeed, we certainly need to know more about what the attractiveness of the $5,000 bonus is. Inflation is certainly a factor in the impact of a bonus, and $3,000 has been the limit of the bonus for quite some period of time. The equivalent payment of $3,000 today would be considerably more than that.

Perhaps General Yerks might want to add some comments.

EXPANSION OF 3-YEAR ENLISTMENT

General Yerks. I must be very candid. The important part of that proposal as far as the Army is concerned, the most important part of the proposal is not the $10,000; it is the expansion of the plan for the 3-year enlistment.

The reason I say that is because we are in the process of turning our entire emphasis in the recruiting business onto the high school market. That is not only in the high schools but also on college campuses, where we have young men and women who, for financial reasons or other reasons, drop out of the colleges, and our emphasis is to get the high school graduate.

In order to do that and expand that market, we are looking to expand the bonus program from not just the 4-year enlistment but also down to a 3-year enlistment, which I think is a reasonable request when you consider that the individuals we are looking for, a good number of them, want to get back to college, or they want to get back and continue college if they have already started.

A 4-year commitment to them is sometimes rather excessive. I would just reiterate what Mr. Clark said on the bonus plus up to $10,000, the most important part of that proviso, the Defense Department's proposal, as far as I am concerned as the Army personnel chief, is the expansion of the enlistment up to 3 years.

We have been very discreet in giving bonuses out, and the record will show that in the Active Force we give bonuses out to only 10 percent of our forces at the present time; and we have not traditionally given the maximum bonus.

Out of our 340-odd specialties, we would only give a bonus to 41 of these specialties, so I think with the budgetary constraints and the requirement to report back each year, that we have administered that program reasonably well.

It is important, I think, though, to expand the market from a 4- to a 3-year program.

Senator EXON. How do you face this situation, General?

Senator STENNIS. I have to leave at this point. Senator Quayle, you are the ranking member of our subcommittee here and will chair until Senator Jepsen returns. Senator Jepsen is coming back, but he has been delayed. He will be back.

Thank you very much, gentlemen, and I am glad I got to hear your testimony.

Senator EXON. You have a lone 18-year-old who would like to become a combat truck driver and you take him into the service without any bonus; and you have someone who is a high school graduate who wants to go on to college, and you take him in, and you pay him $10,000. It seems to me that this is such a wide discrepancy that I don't know how you would justify that in being fair to the recruits.

What is the answer to that?

Mr. CLARK. No. 1, we don't intend to go to $10,000 right away. But let us suppose, instead, the market required that. We have to do several things. One, we have to provide people in the numbers in the particular skills we need and not just in the skills in which they want to enter and there are some skills that are considerably less attractive, and the combat arms are less attractive in the minds of some people. Second, we have to bring into each of the skills a mix of capabilities, because what you bring into the Army is basically what you reenlist and goes on to become your NCO corps. So each skilled grouping needs to have a broad grouping to provide leadership later on.

Senator EXON. Really, what you are saying with that answer, it seems to me, is that the overall quality of the all volunteer service is so deteriorating from the standpoint of attracting the type of people who are going to be the noncom leaders of the future that you have to have a bonus situation to attract those kinds of people in for the future. Is that not the only assumption from the answer you have just given me?

Mr. CLARK. No, that was not the conclusion I would want you to draw.

I want to improve the quality of the Army that we have, and I want to bring in people that we are not attracting now. Within every skill you will have different kinds of people who are attracted to it.

I would like to balance the capabilities and various skills, not precisely, but I would like to draw a cross-section to all skills. There are just simply some skills that are considerably less attractive to high school graduates, for example, or people who have higher capabilities, and they would prefer to go into more technical skills.

I want to offer them the alternative, instead of learning a particular technical skill, of getting some money to recruit and keep them in the combat skill.

Senator EXON. What percent of our volunteer recruits from the last year went into combat arms that had high school diplomas?

General YERKS. It was 41 percent.

Senator EXON. Forty-one percent had high school diplomas?

Mr. CLARK. Against an average of about 54 percent total high school graduates brought in last year.

Senator EXON. That is a concern, I presume?

Mr. CLARK. Yes.

Senator EXON. I guess when you say you would not be using the $10,000 bonus figure that you are suggesting, I would say that on those kinds of figures you might, if we would go along with it, be using it rather extensively, Mr. Clark?

Mr. CLARK. Depending upon what we find out on the $5,000 bonus, Senator, we would then probably want to go up some increment if we were not successful in meeting what we thought were the desired objectives. My view would be that we would go up considerably less than $10,000, at least initially, and I doubt if that provides the margin I want.

Senator EXON. I am sure there is nothing in the Communist world, but is there any other current arrangement in the free world where they are paying anywhere near a $5,000 enlistment bonus, let alone $10,000? Would this be plowing new ground as far as hiring military people is concerned?

Mr. CLARK. I can't answer that, sir.

Senator EXON. Can any of you gentlemen answer that question?

General YERKS. Sir, without absolute preciseness, I would say your assertion is correct, that nowhere in the free world are bonuses being taken similar to what we are doing today. You may recall that most of your larger armies in the free world today are conscript armies.

CONSCRIPT ARMIES

Senator EXON. Are you saying that we should go to a conscript army, or do you think we are going to come up with a more balanced force by paying $5,000 and $10,000 bonuses?

General YERKS. Sir, I think when you discuss conscript armies, first of all, that is not the Army's decision to make, to go to a conscript army. Our responsibility, I think, is clear, to tell you what we need to do under the rules which you set for us.

I think if you are looking for an answer with reference to a draft army, at what stage would I consider it necessary that we seriously consider returning to the draft, I would say as we look down to the future with the diminishing high school market which we are trying to get into simply for attrition, it makes sense to recruit a goodly percentage of high school graduates.

As I look into the recruiting market, to our end strength requirements, the threat and so forth are such that our end strength needs to go up to about the 800,000 level, that we must seriously look at whether or not the Volunteer Army is cost effective. If we don't get such incentives as the GI bill, and if we do not get a compensation package which we are in the process of drawing up, which clearly notices and takes cognizance of the fact that there is a first-termer and a careerist and they have to be treated differently in a paying compensation area, if these things are not met, if we run to the 800,000 level, and if we do not get a GI bill and if we do not get a pay compensation package that addresses the careerist and the first-termer separately, then I think it is incumbent upon everyone to take another look at some type of conscription.

The first step probably is taking a look at the Reserve Components, primarily, the Individual Ready Reserve, or what I call the "pretrained manpower resource."

COMBAT ARMS AREA

Senator EXON. Let me back up a minute. I believe the testimony a little bit ago indicated that in the combat arms area, Mr. Clark, one of you indicated about 60 percent of those were non-high-school diploma people?

Mr. CLARK. Yes.

Senator EXON. What percent of those in combat arms are from minority groups?

Mr. CLARK. If I am not mistaken in combat arms it is about the same as the percent in the Army as a whole. General Yerks, do you have the information on last year's percentage?

General YERKS. Our black content, for instance, is 33 percent content in our Army today, and our black content in the combat arms is also 33 percent. There is a perception that there is a greater percentage of our Army content, minority content, in combat arms. That is not true. Of course, the 33 percent is much higher than our population.

Senator EXON. I think you are all familiar—to try and tie this down—you are all familiar with the report which came out—I believe it was Army, third quarter last year, where 39 percent of all of the recruits during that quarter were from minority groups, black, and other minority groups. You have indicated 33 percent of combat arms are black. What is the percentage of all minority groups to the overall strength in the combat arms area?

General YERKS. It is about 37 percent, sir.

Senator EXON. So what we have, then, generally speaking, if we were to be involved in hostilities—God help us—1 year from now, we would find the battlefield casualties coming out at somewhere between 35 and 40 percent of the casualties in the battlefield today coming from minority groups within the United States, and over 60 percent of them would not have a high school education; is that a fair assumption?

Mr. CLARK. It would be heavier in that direction, and whether it would be precisely that or not, I don't know. It would be somewhere in that vicinity. The casualties would be heavier among minority groups, which is the thrust of what you are saying.

Senator EXON. Now, gentlemen, you people say that what we decide to do on this question of conscription is up to us. Well, I recognize that responsibility and I think most of the Members of the Senate and the House do also. But when we come to military matters we come to the military people and we come to the Commander in Chief of the United States, who is the President, for leadership and guidance in this area. That is why I hope that in this area where you give us advice you will not feel constrained by giving us at least your individual opinions on what we have to do to defend the United States of America.

It seems a little bit odd to me that we are going on one of the grandest, most glorious military buildups in the history of the entire world, and the American people are behind it, and yet we seem hesitant about addressing the principal problem we have, which is manpower.

All I am saying is that I am not ready to give up on the All-Volunteer Army—not yet,—and I assume that you are not.

Mr. CLARK. No, sir, we are not.

Senator EXON. You are not ready to give up on it?

Mr. CLARK. We are not ready to give up on it.

GI BILL

Senator EXON. But the alternative which you are giving us—and I want to go into the GI bill next—the alternative which you are giving us, it seems to me, is that if we are going to make this thing work, the all volunteer service, we are going to have to greatly increase our estimates as to what the cost of that force is going to be.

Mr. CLARK. I am not sure I follow that.

Senator EXON. I will repeat it. I guess what you are saying, since you have not given up on the All Volunteer concept but are recommending further increases in salaries and increases up to $10,000 in enlistment bonus—I assume you are recommending a GI bill of some kind, which I want to go into in just a moment. But I guess, therefore, you are saying you have not given up on the All Volunteer concept, but in essence what you are telling us is, if we are going to maintain the quality we need in the Armed Forces it is going to cost us more in benefits and salaries than it has in the past?

Mr. CLARK. That is exactly right, sir.

Senator EXON. Let us go into the GI bill.

Are you in support of the GI bill? It is a very popular thing now. It is waving the flag and it is accepted and endorsed, I guess, by the American Legion, the Veterans of Foreign Wars and the Disabled American Veterans, and everyone is saying, "That is what we need."

Do you think a GI bill, of the type you have seen, of which I think there have been three or four or five versions introduced, are generally along the lines that you would recommend for further strengthening the quality of recruits in the All Volunteer service?

Mr. CLARK. Yes, sir, I am not talking about any particular bill. As perhaps you know, all four services have agreed on a basic idea, but there are a number of them being looked at today. Yes, I believe we do need one.

Now, let me comment on a couple of points here. First, the Army is not today attracting a broad cross-section of people in the country. I think we need to do that. It is not a question of the people we are taking in; it is a question of the people we are not appealing to. We need to do that. Two, it seems to me that a properly structured bill would also assist in our retention problem; three, and perhaps as important as any of them, is the clear statement of national commitment that indeed we would then have. We have a national commitment to provide education. We don't seem to have a flat commitment to require service on the part of our people. It seems to me that a bill, and one of the most important features of such a bill, would be the statement of commitment to education as well as service which, I think, would be important.

General YERKS. There is one aspect, that sometimes is forgotten when the GI bill is addressed, and that is, we feel that it can be an effective measure not only to attract the high-school graduate, which we are looking for, and with a proviso for transferability also, to assist in retention of our soldiers; but that type of a benefit has to be looked at broader than just the Armed Forces because there are some leaks in the pail.

The leaks in the pail are the other Federal subsidies to education without an obligation of some sort back to our Government. So I think that a GI bill needs to be addressed in the broader context of any where from $5 to $9 billion, depending upon how you talk, that is going into subsidy of education through the Department of Education and other agencies throughout the Government. Unless there is some tie to service in some way, or unless there is some degradation of those programs in order to institute a GI bill, I think it would be certainly less effective than we would like it to be.

Senator EXON. I couldn't agree with you more because that is why the "gung-ho," let us take care of military service by spending billions of dollars on a GI bill approach might be money that does not attract or do what you would like it to do in improving your quality.

At least the prevailing feeling in the United States today among some of the young people you would like to attract, is, "Why should I serve 3 or 4 years in the military when I can get essentially the same benefit from my Government by attending the higher education school of my choice with the Federal programs currently in existence?"

I would say to you that that is another one of those things which is going to be very difficult to get changed once it has been built into the system. One member of the higher education lobby of the United States hears of your suggestion, the roof is going to blow off, I suggest, most of those places where they make decisions on higher education.

We know that the Federal Government is heavily subsidizing education today. That only makes the point, I think, that when you say to have a GI bill to be effective we are going to have to change the educational benefits in general to make the effect of what we want to do, I say to you, I suspect that that is easier said than done, when I recognize the special interest group pressures that will be brought to bear in opposition to such a thing.

That is why I said I am wondering if the idea of a GI bill has been thoroughly thought through.

General YERKS. I assure you that the idea of a GI bill has been thoroughly thought through by the Services. It is a very positive attractor, or can be a very positive attractor, to the high school graduate. I have read on many occasions the contention that we, in effect, have a GI bill today without the GI's, without the obligation; and I think that rather characterizes it very well.

I am not against the educational programs that are currently in being by any stretch of the imagination. It is simply that I think the GI bill must be looked at in the broader context of other Federal subsidy programs.

General BERKMAN. May I make a comment? I indicated earlier in my remarks I was optimistic about what is happening about the end strength of the troop program units Army Reserve, and indeed I am. But it is a result of the kind of support that we obtain, and we still have a long way to go. Additional support, such as the extension of the re-enlistment and enlistment bonuses across the force will be very significant in that effort.

But as we discuss a GI bill, I would just like to emphasize that it is important, I believe, that there be a Reserve Component in that GI bill, for indeed we have a challenge in order to attract more high-school graduates into the Reserve forces as well. I feel that as we think of the total force, the GI bill is also an important tool for attracting the kind of people that we need in the Army Reserve and the National Guard as well.

Senator EXON. I am sure you have something to say, General Temple.

SUPPORTS GI BILL

General TEMPLE. We in the National Guard support the concept of a GI bill, for several reasons: One, it will make the educational assistance program far more attractive to potential National Guardsmen. I want to offer another thought. Perhaps regretably, you and I are old enough to remember what resulted from the GI bills after World War II and the great progress this Nation and its communities made as a result of young people being able to take full advantage of an opportunity to complete a college education. I suspect these halls are filled with products of that educational system.

We in the Guard see it as being important not only for that reason but also the fact that the people who will be taking advantage of this GI bill are those who will grow up and live in our communities and will not only be enlisted members of the Guard but also a source of our officer corps. These are the kind of people that we want to lead the National Guard of the future.

Now, one of the intricacies of the proposal of a GI bill is the opportunity to take advantage of this educational system perhaps a little later in life. In our current educational system it is focused upon young people in college today. Many National Guardsmen are blue-collar workers, people working and trying to build up savings to go to school at some time. This would be particularly effective to give them that opportunity, and I might say I am a product of that. I went through night school using the GI bill that I gained during the Korean war to secure my college education.

So I am for it because I think it will not only help the military services—the National Guard especially—but also our communities and the Nation as a whole.

Senator EXON. Thank you for those statements.

I would just say, to try and let us keep this in some kind of perspective, I am not surprised that you are all for this program, but let us remember the previous GI program—which to my knowledge was a reward for those who went to serve their country either by conscription or being volunteers because they were about to be conscripted. They were away fighting this country's war, while other people at home were doing quite well.

I believe that the GI bill to which you refer, General Temple, and which you used, was a bill designed to try and make up for your early service, not tendering you something to start out with to invoke you into the military structure.

General **Temple**. But there were GI bill entrants who chose to come into the service and were motivated by the opportunities to gain the educational benefits and, of course, we are asking people to come in the military service and offering the GI bill as an incentive to do it; but the purpose is not to ask them to fight now, but be prepared to fight so that we don't have to go to war.

So the relationship to those who were fighting in our past wars is that we are saying let us build up the military services so we don't have to go to war.

Senator **Exon**. Well, General, certainly in Nebraska we have rather liberalized benefits for our Guard and Reserve people, and I am sure you are familiar with that, and I know it has worked very well to try and attract more people into the Guard and Reserve.

General **Temple**. I am pleased to report to you the State of Nebraska is now at 86 percent of their authorized strength, which is a rather steady progress. General Binder was here this past week and spoke optimistically of the results the current programs are providing, but he, too, like the leadership of the National Guard, looks to the educational programs as being a contributory element to our communities.

Senator **Exon**. General Binder wants more than what we have now to attract Guard people?

General **Temple**. Yes; General Binder would like very much to have added incentives and would like to see it spread across the force, which I mentioned earlier, so that we won't have a part of our personnel receiving benefits, as opposed to many others who may not because of the skills and units in which they are currently enlisted.

Senator **Exon**. General Berkman, I would like to return to you. You indicated earlier that you thought a GI bill should include the Reserves and the National Guard?

General **Berkman**. Yes.

EDUCATIONAL ASSISTANCE

Senator **Exon**. The Reserves have a program now, I believe, of offering $4,000 in educational assistance, and enlistment incentives. Has that been effective, in your opinion?

General **Berkman**. That amount has been increased with the current year. The previous year, the number that took advantage of that educational assistance amounted to only 274 individuals. I think the reason was that it was an alternative to enlistment bonus. It has to be placed in the perspective of the other kind of educational assistance that was available from various governmental programs without an obligation for service.

I expect that that is one of the reasons why it was not as popular as it might have been. So I think that a GI bill and the provisions that that opportunity will provide will be more significant in bringing people in as well as retaining them in the Reserve.

Mr. CLARK. Senator, those enlisting in the Army National Guard or the Army Reserve had the choice between taking the enlistment bonus or the educational assistance. It was only $2,000, the maximum limit until recently. I would think many of them decided, "Why don't I take the bonus and then go get my educational assistance through some other source?" rather than simply take just the educational assistance we offered.

General BERKMAN. They are only available in higher priority units, which would not be across the board.

INCENTIVE PROGRAMS OR DRAFT

Senator EXON. Let me ask you this question, if you can stand on it: As far as the Reserves and the Guard are concerned, if you had the choice of returning to the draft to improve your recruitment efforts in the Reserve or to go with the various incentive programs including the GI bill, if you had a choice of one or the other, what would you like to see?

General BERKMAN. Well, I mentioned earlier that we have a way to go before we meet our peacetime objective strength, and even in the current 5-year program for the Army Reserve we will not achieve that strength. Without additional incentives and resources and things like the GI bill, if the alternative is to try to reach that strength earlier than that 5-year period, consideration might be given to the alternative of some kind of compulsory service for that purpose.

I guess I would prefer that we have people who are motivated and attracted to service in the Army Reserve on the basis of a lot of things, including patriotism and their feeling of commitment and service to their country. Indeed, they are making a contribution to national security rather than having to conscript people for that service; but I think that represents an alternative if we decide we have to get to those goals earlier than we are currently projecting.

INDIVIDUAL READY RESERVE

In addition to the troop program units of the Army Reserve, there is an Individual Ready Reserve, people required upon mobilization to provide filler and replacement for new units. The strength of the Individual Ready Reserve is far below what is required, depending upon the scenarios that are projected. I think that is another area that would have to be addressed as well, because I don't believe we will achieve those goals in a relatively near term on the basis of current programs.

I might say that as an individual, I too am one of those that General Temple referred to as one who completed his law school education by taking advantage of the GI bill, that I accumulated as a result of my service as well as joining a Reserve unit to supplement that income. So

I think there is service for individuals in our country which is desirable in providing a better sense of citizenship and commitment and better individuals.

Senator EXON. General Temple, I know it is tough to go on black and white, but if you had a choice between these incentives or a draft, which option under that scenarios would best serve the interests of the National Guard?

General TEMPLE. I concur with General Berkman's remarks about the issue of immediate fill. That is another issue.

The National Guard is making its programed strength. The reason it is making its programed strength I detailed earlier for you and the chairman. We don't think we have seen the final results of the incentive programs and it is probably premature to take a precise stand on which way we should go.

I think it is too early to say that we should go to a draft. I think we are doing well with the current program. We need to expand the program and make it competitive. As you know, guardsmen and reservists are competing for time. We need to raise the benefits to the point where we can effectively compete with other factors within the community for the young person's time.

Senator EXON. What is the percentage, can you give me any figure on the percentage, of the total Guard strength today that has high school education and a high school diploma?

General TEMPLE. It is about 70 percent, Senator.

General BERKMAN. I would like to get that information for you for the record, if I may.

Senator EXON. All right.

[The information follows:]

PERCENT HIGH SCHOOL GRADUATES IN USAR

General BERKMAN. Seventy-eight (78) percent of the Army Reserve enlisted force has graduated from high school with a diploma or general education development (GED) certificate. Virtually all of the officers have graduated from high school in the same manner and 92 percent are college graduates or have some college education.

GENERAL READINESS

Senator EXON. I would like to close up with the general readiness situation which you and we are concerned about.

I would like to quote from the Army's own Human Readiness Report No. 5, which bears the date of August of 1979, and the quote is:

> There is evidence that education level and mental aptitude do, in fact, measure potential for military performance . . . The prevalence of low ability personnel as a perceived problem in Army units has increased . . . There is an apparent growing concern among officers at unit level with the competence of junior soldiers . . . Any increases in high-school-diploma graduates' accession content will likely aggravate the problem. There is also some concern that the mental aptitude and educational level of those soldiers entering the career force might not provide an adequate base for the future NCO corps as the Army becomes more technology oriented (to the new weapons).

Now, I would like to ask you, gentlemen, if you generally agree with that statement in the Army's own report that I referred to?

Mr. CLARK. I guess I would say that there is a growing perception on the part of some of the NCO's that they are getting some numbers of soldiers who are more difficult to train, and that makes their job more difficult. How real that is I really don't know. I would say it is something that we need to be concerned about.

As to Human Readiness Report No. 5 and the conclusions you read, there were conclusions drawn in that that were not necessarily substantiated by the actual survey data that made up that report. But it is something that you just can't ignore. I think it is something that all leaders should be interested in. That is why we have all supported trying to increase the competence of the people we bring in, and that is why in my earlier comment, I stated that I am concerned about the people I am not attracting into the Army.

I would like to have a broader profile of people come into the Army.

General YERKS. I don't think that there is any question that during the period in which the data were gathered for the Human Readiness Report that whether it was statistically valid or what have you is kind of irrelevant. What is important is that there was a declining number or content of high-school graduates in our Army and the so-called mental categories.

We thought we were bringing in somewhere around 10 percent, and we found that it was up to 52 percent. The sergeants out there were telling us, they were saying, "You know, I just have a gut feeling that I am having problems training these soldiers."

RESTORING TRAINING PROGRAMS

At the same time in our great vision we were cutting back on our training and it is just incomprehensible to me to understand why the Army is constrained to a 7-week basic training and the Marines have a 12-week basic training. There are basic things like that where our sergeant receives an apprentice, and a Marine sergeant receives a journeyman.

These are the things we have to get on with and we have to restore our training programs and get our high-school graduates in decent percentages and train them better.

The chief has made a decision on his own. As you probably know, the Army will expand the basic training another week to at least 8 weeks. That is where you get your discipline training, and that is where you get in that discipline and basic training, and that is where you start to instill the discipline that the people complain we don't get in the unit.

Until we go back and strengthen our training base and until we get back to where we are bringing in the Army a decent percentage of high-school graduates, until those things happen we are going to continue to have these recurring problems as outlined in the Human Readiness Report.

I must say, Senator, and it was just prior to your arrival here this morning, that we do have some encouraging signs in the high-school market this year. Two-quarters don't make a trend; markets can change; job markets can change; economics can change. We all want our economy to improve, but we also know that when the economy improves that makes it tough for the recruiter, but we are bringing in about 75 percent high-school graduates this year.

HIGH SCHOOL RECRUITS TURNING TO COMBAT ARMS

In the combat arms we are bringing in 69 percent high-school graduates. When you compare that to a 54 percent and 41 percent in the combat arms last year, you can see why we are rather encouraged.

So I am optimistic, extremely so, but we have to continue to look at those incentive programs and zero them in and concentrate on a high-school market.

Senator EXON. I knew you referred to those figures, and I congratulate you, as it is a rather dramatic turnaround in a very short period of time. We all may have our ideas as to what caused that. I assume that the correct correlation is that it is a combination of factors which allowed that to happen.

Let me ask you this question: During the debate on the floor of the Senate last year, I had a call from the Secretary of the Army, trying to influence me not to go along with the restrictions on high school graduates that were being written into the law. He explained to me that with the new sophisticated weaponry we are developing, we needed actually from the standpoint of performance less qualified people to operate this new and sophisticated equipment because of the ease of operation than we needed recently on our equipment.

Mr. CLARK. Let me make a comment. Certainly one of our objectives in designing equipment should be to make it easy to operate. If we are not doing that, we are off base somewhere. But would that require less skillful people? I don't believe that that is true.

Does it require increasing capability? That is another question. Obviously our design objectives are such that that will not happen. What does happen, however, in my personal view, is that as we put out increasingly more capable weapons in order to get the maximum capability out of those weapons, you need people who will be able to understand today's weapons, as compared to the World War II infantryman in which you had a rifle and a browning automatic rifle [BAR] in a rifle squad. Today you have a greater array of weapons with greater arrays of capabilities. So at the leadership level you need people who are capable of effectively employing all of those weapons. Also, there are indications that at the first echelon of maintenance it is probably simpler to maintain, but at higher levels it requires increasingly sophisticated technicians. Those are people that you grow and those are not first-term soldiers. But I need to get highly capable people in and we are going to have to look at how we retain some of these skilled technicians. Look at the problems which the Air Force and the Navy have today with retaining their technicians, and that is going to be a problem we are going to face in the near future.

HUMAN READINESS REPORTING SYSTEM

Senator EXON. I have one last question or comment.

I guess I am concerned about this whole matter of readiness. According to an article which appeared in the Washington Star which I inserted into the Record last December, which was entitled, "The Report No One Wants to Talk About," the Army decided to shelve the Human Readiness Report No. 5 that I had referred to earlier in what appears to be a clear case of killing "The Bearer of the Bad News."

The Army, according to this article, abolished the entire human readiness reporting system which has existed at least to some degree since 1974.

I would like to ask you gentlemen, is it true that the Army has abolished its human readiness reporting system, and can we expect readiness problems to worsen if the quality content of the new recruits is not raised?

Mr. CLARK. We are not collecting or reporting in the same way in which we did in Human Readiness Report No. 5. Frankly, there was a combination of reasons for that, but one of the main reasons was that we were just surveying the soldiers to death out in the field. We had to bring that under control.

I think we are collecting the same kinds of information that is available in another manner that will make it possible to measure human readiness.

Senator EXON. General Yerks?

General YERKS. I think one of the items that does not get mentioned too often is that we were, in fact, surveying our soldiers to death. We took them out of the units and this was a real diversion of their time.

Specifically, though, as to Human Readiness Report No. 5, in that we all appreciate that there was a great debate over the release of that document and debate over whether or not its statistics were valid, and whether or not the information as reported in that was opinion and whether or not information in the report was outdated. But to conclude that the Army is ceasing to collect human readiness data is also an incorrect conclusion. We must continue to collect this type of data on drugs and alcohol and human behavior and so forth if we are to support our Army well.

Senator EXON. Did you have any comment on that?

General BERKMAN. No, sir.

Senator EXON. Thank you very much.

Senator Quayle, are you prepared to ask your questions?

I will be glad to yield to you, and it has been requested that you continue the hearing until Chairman Jepsen returns.

Senator QUAYLE [presiding]. Let me go down the list and we may be plowing some old ground, but I would like to focus on the summary here of General Yerks and ask a couple of questions.

IMPROVING QUALITY OF LIFE

You conclude by saying that we need to improve the quality of life for the soldier, and what we need to do to improve the quality of life. Do you have some specifics on what should be done?

General YERKS. Well, Senator, we have taken a broader definition of "quality of life" in the recent past than what we used to.

"Quality of life" for most people means the PX, the commissary and benefits and that sort of thing; but really "quality of life" is broader than that.

We have a statement that "We recruit a soldier but we retain a family." We have to provide decent housing and we have a force today that is a married force, and we have to recognize that. If we are to keep them in, we are going to have to provide them decent housing.

Also very important to this individual, as it always has been, is where he fixes that tank; if he is fixing that tank in some mudhole, you are not going to retain him in the service, so we need to expand when we talk about "quality of life," to make sure that our maintenance programs are budgeted—the maintenance backlog, in Europe now, for instance, which runs about $1.8 billion, we are putting into the real property maintenance program in Europe today somewhere around $600,000 to fix up the barracks, to fix the showers and to do these things. It is to fix the motor pool and the tank park and the like, and the backlog is about $1.8 billion. We are just about maintaining that level.

So when we talk about quality of life it is not just the PX or commissary; we have to address ourselves to such real-life problems of decent equipment or a decent place to maintain our tanks and our artillery pieces and so forth. We have to expand upon that a bit.

COMPENSATION

Also, very definitely, in the quality of life is the paying of compensation. You certainly realize that that was 11-plus percent across the board in the past year that Congress provided. There is a need now to go—and it will be presented to Congress—to 5.3 percent across the board catchup. This only catches up for inflation and erosion in the past. Then later on in the year we would hope to have surfaced to the Congress a compensation package that addresses the long-term needs of the Army and all of the services.

It takes a look at the first-term soldier and it takes a look separately at the careerist, because the career pay, the pay of the careerist, has been compressed with caps over the years, whereas there used to be from the private to the master sergeant, or sergeant major, there used to be a 1-to-7 ratio, and that is down now to about 1-to-2.7 ratio. It is just compressed so that as one goes up in responsibility there is just not that pay incentive that is commensurate with the increased responsibility that that sergeant first class or that master sergeant or the sergeant major might be stepping into.

CHAMPUS PROGRAM

These are things in the quality-of-life area which you will see in the budget as it is surfaced and it is debated that we feel are important. There are such things as the CHAMPUS program which is in real need of assistance, and we are requesting additional moneys there to lower the percentage of the bill that the soldier needs to pay.

We are looking also for extending the CHAMPUS program for dental care, a proposal which we had introduced in the past and we intend to introduce again this session of Congress.

Mr. CLARK. I would like to add one thing. The preponderance of the money that we justify under this heading of "Quality of Life" falls in the area of repair and maintenance of real facilities—the soldiers' workplace and living place. That is where the vast majority of the money goes.

Senator QUAYLE. Let me focus on the pay and compensation aspects of improving the quality of life; without leaving the impression that these other things, maintenance, housing, and the creation of an atmosphere of good will are unimportant. How many people do we have in the Army now who are eligible for food stamps? Do you have a number on that?

FOOD STAMP PROGRAM

Mr. CLARK. We have heard the number of about 40 percent.

Senator QUAYLE. Forty percent enlisted men?

General YERKS. I think that is inaccurate, but let me just give you a ballpark figure. I asked the question as to the food stamp usage of our Deputy Chief of Staff for Logistics, General Gregg, just this past week, and his data show that there is an increase of 33 percent usage in food stamps in our commissaries in the first quarter of this fiscal year over what was used in the commissaries the first quarter last year. This is alarming to me, that our soldiers that are doing something rather decent for their Nation have to resort to food stamps.

I am sorry I can't give you more precise figures than that, but I will go back and send some over to you. But I do know that 33 percent over the first quarter of last year is something that was rather alarming to me.

Senator QUAYLE. I would say if we are trying to improve the quality of life of the armed services and you have an increase of 33 percent usage in the food stamp program—and you will give us the number—that that certainly isn't a conducive atmosphere to attracting quality young men and women to the service, if they know a lot of their brothers and sisters are going to be on food stamps.

As you get that figure, could you also provide us a figure on what it would cost to make sure that those people would be paid rates at least above the poverty level of this country, so they won't be eligible for food stamps?

[The information follows:]

USE OF FOOD STAMPS

General YERKS. Our data based on food stamp redemptions in Army commissaries reflects a 33 percent increase for the first quarter fical year 1981 over the first quarter figures from fiscal year 1980 ($2.4 million compared to $1.8 million). However, a precise figure of the number of soldiers eligible for food stamps cannot be provided. The U.S. Department of Agriculture Food Stamp Program is administered by the various state welfare agencies. Determination of whether or not a household is eligible and, if eligible, the amount of food stamps to which entitled is made on an individual household basis by welfare case workers in accordance with federally established poverty guidelines which are adjusted annually. There are many factors that are considered in such a determination. In the case of a soldier household these factors would include not only military pay, but also earnings derived from second job and spouse employment, other additional income from nonmilitary sources, household size, whether or not the household is residing in military quarters. However, an analysis of the commissary data that is currently available for fiscal year 1980 shows the total amount of food stamps redeemed by Army commissaries is $8.5M. When this data is viewed against the fact that the USDA's average monthly usage per household is $75.00 the results indicate that approximately 9,500 military households redeemed food stamps at Army commissaries in 1980. Obviously, while these figures provide a partial account of food stamp usage, they do not take into account the amount of food stamps redeemed in commercial food stores or other service commissaries by Army households. Though there are a significant number of variables which preclude our ability to provide the exact pay increase needed to preclude the soldier from becoming eligible for food stamps, it is possible to provide fairly typical examples which are indicative of the magnitude of the pay increase which would be required to prevent the majority of soldiers from becoming eligible for food stamps given certain assumptions. For example, assuming that the sponsor's military pay is the family's sole income, that the family does live in government quarters, that the family's cash and property assets are within allowable limits, and that the family has not deductible child care or excess housing expenses, then the following monthly pay increases would prevent the soldiers shown below from becoming eligible for food stamps:

DOLLAR AMOUNT OF PAY RAISE NEEDED TO PRECLUDE FOOD STAMP ELIGIBILITY

	E3 under 4 yr service	E4 under 3 yr service	E4 under 4 yr service	E5 under 4 yr service	E6 under 6 yr service
Number of dependents:					
3	100	100	65	25	0
4	230	230	190	150	20

It is important to note, however, that pay increases cannot be viewed in isolation. The above data are intended to be examples only and any recommended increase would be recommended only after an examination of the entire pay and entitlements system.

Senator Quayle. Do you have any figures like that, that is, what it would cost us to make sure that nobody in our armed services would be eligible for food stamps?

General Yerks. The 5.3 percent which I mentioned earlier based on the available data is actually only makeup cost and with inflation estimated from 9 to 12 percent, or whatever percent it might be this current year, there will be a need to address that matter in October or later on in this session of Congress for an October increase. But the Defense Department is sending over—and I believe it is on the 1st of April it is required by the Congress—the Defense Department is required to send to you a mechanism where these types of things, where we can keep current in the pay and compensation area, rather than having a crisis every year based on inflation or what have you. That so-called mechanism, if my memory serves me right, and I believe it is the 1st of April, that will be reported to you.

Senator Quayle. In essense, what you are saying is that this isn't going to change that much, as far as the bottom line is concerned?

Mr. Clark. Probably not.

Senator Quayle. With inflation running at around 13 percent or 12.4 percent, or whatever it is, a 5-percent increase doesn't do the job, particularly if you go back and look at all of the pay caps.

I would say, as somebody who looks at the quality of life, which is a good choice of words, that having all of these people on food stamps is an absolute outrage. I don't see how we can go out to people and say, "Join the Army," when they know that this is what we have available.

Mr. Clark. I would like to mention one thing, though. When you want to know what would be the cost to raise the bottom level up to a point where that would not be the case, notwithstanding the fact we do have soldiers and sailors on food stamps, we don't want to get into the trap where we simply once again raise the bottom level of pay and further compress the pay scales at the upper level so that the leadership in the Army and particularly the NCO's, once again do not have some distinction in at least terms of pay over what the junior enlisted people have.

We have a serious problem on pay compression, too.

IMPROVEMENT IN RECRUITING

Senator QUAYLE. If I understand your response to Senator Exon, you felt that we are headed in a good direction as far as recruitment, that we have been successful in getting a better quality into the Army in this past year than we had in the previous couple of years; is that true, is that a fair assessment of what you said?

Mr. CLARK. Sir, in 1979 we had a shortfall in numbers and a shortfall in high-school content. In 1980 we made up our numbers, but we did horribly as far as our high-school content was concerned. We wanted to bring in about 70 percent high-school graduates and we brought in only 54 percent last year. That is not a very good record. In the first two quarters of this fiscal year we find we have turned that around with the various incentive programs and certainly with some better management. We would hope, to bring in about 75 percent high-school graduates, which is very encouraging.

We project that through the year we are going to meet our high-school graduate objective, but, again, I throw a bit of caution out: The economy can get better and hopefully it will, but when the economy gets better, the competition for enlistments increases. The other services are increasing some 31,000 in the next few years, and that is 31,000 high-school graduates that we have to compete for, when at the same time we are looking for about 100,000 high-school graduates in the Army each year.

Another thing is, we must realize that the Army, in order to keep a competitive edge, is the one service that has more skills that are not civilian marketable. Consequently we need additional incentives to bring them into the combat army. The two quarters we mentioned earlier does not make a trend and we can't let down our guard now; and think we have solved our manpower problems, because we certainly have not done so.

Senator QUAYLE. So the jury is still out as to whether we are going to solve our manpower problems with the present system would that be fair to say?

General YERKS. I would say we have some encouraging signs but we are still not well.

Senator QUAYLE. I have one final question, and I would like each of the four participants to respond to this: This is a hypothetical question and I don't want any changes in the hypothetical case: But let us assume that the voluntary draft doesn't work, that there is a consensus that it doesn't work. Also assume that it is accepted that we cannot have, for political reasons, an all-out draft.

ARGUMENTS AGAINST DRAFT FOR GUARD AND RESERVES

Given those two suppositions and those two premises, I would like each of you to give me the downside of an alternative to a draft for the active forces—a draft just for the Reserves and the Guard. This is all speculative, as the record will show that, and I would like to hear the arguments against the draft for the Reserves and Guard.

Mr. CLARK. I don't believe you can have a draft for the entire Reserve Force as the distribution of the unit structure of the Reserve is complex. We have various levels of unit strength and within various geographical areas throughout the country. You are not about to whipsaw units and move them around because you have strength problems.

I don't believe you could have a draft in Massachusetts, as an example, but not have a draft in one of the southern States in which strength was up in the National Guard or Army Reserve units. You could have a draft for the Individual Ready Reserve (IRR). You could draft to bring people in, put them through a basic period of training, and then into a pool in which they would then have an obligation to serve their country for *x* number of years. They would remain in that pool as pretrained manpower to be available for call during any particular time that you needed them.

As you know, we have a major pretrained manpower shortfall. This also constitutes a requirement for refresher training at some interval during that period of time they are in the pool, a draft for the IRR would probably have some impact on volunteers to the National Guard, the Army Reserve and perhaps the Active Force.

Senator **Quayle**. I want to get all of the arguments against it, in the event we ever get to this juncture.

General **Yerks**. Taking the ground rules that you set up, I think the only recourse to meet our responsibilities in raising an Army of sufficient strength and quality and so on and so forth would be a draft of the Individual Ready Reserve.

Quite frankly, I feel at current levels and unless we get up over the 800,000 level in the Active Force, that we can through the voluntary system support the Active Force. In a true program, Reserve units and National Guard units, and my compatriots may not agree, but they are so geographically oriented—there is a unit here and unit there—that the draft for those units just is not a sensible way to do business. But that great pool of fillers and casualty replacements in the trained manpower deficit, which is now around 250,000 soldiers, a real solution under the ground rules you laid down would be a draft, a part-time draft. Even a split-training draft, I would suggest, might be looked into. That is a split-training draft where you would be less disruptive to a young man or young woman, where they would take perhaps 8 weeks training this summer and 8 weeks training next summer, something of that sort, in order to get them trained and qualified where they would be a resource to draw upon in case of an emergency or mobilization.

General **Temple**. Senator let me begin by saying that in college I took a course in mass communication and all I ever got out of it was never to answer a hypothetical question; but that notwithstanding, let me go back to some remarks I made earlier, where I talked about the fact it was a bit premature to determine that the National Guard—and speaking of that as a separate force—needed an involuntary system to provide manpower.

We have now seen this strength turn-around and we think if the incentive programs are expanded, as we have asked them to be, that we are going to be successful in meeting our strength. Your State of Indiana is at 100-percent strength and there are a number of States that are now coming into those kinds of situations.

I can join my colleagues on the geographical aspects of the Reserve; but keep in mind that at the end of 1981, if we make our program strength, we will only be about 39,000 short of our desired peacetime objectives in the National Guard. Considering the vastness of the market, I am not so certain that there is an equitable way to adjust an involuntary system for the National Guard that you and I would be comfortable with.

I am not an expert on the issue of the draft program, so I cannot expand on it further. I don't think it is necessary at this time.

Senator QUAYLE. I am looking at some future time and what I am trying to do is get the argument against it, because I am somewhat of the opinion that we may at some juncture have to make a decision on alternatives. That is what I am trying to get, the available information.

ARGUMENT AGAINST DRAFT

General TEMPLE. Quite obviously, one argument against it would be the disruption of the personal plans of hundreds of thousands of young Americans at a very critical time in their life if you adopted any form of involuntary military service. That seems to me to be a rather significant consideration.

Senator QUAYLE. But the way the Reserve works now, if one moves from one State to another, a welder or technician or whatever, there is usually a place he can be accommodated in another State, and if he can't there are always adjustments made. I was in the Guard for 6 years and there were guys moving in and out of our unit all the time. They would say, "We don't have this particular slot but he is qualified to do that and he has a 6-year commitment." And they put him in there. So I don't find the argument that it would be tough on the individual, and that allowances for the mobility of Reserve and Guard members would be a problem, to be that strong.

General TEMPLE. I am saying, if you take him from his school or his job within the age group that you would propose, to enforce involuntary military service, you are going to cause him to go on to active duty for some period of training before you return him to his unit. In the case of the numbers of people that you are considering, it would seem to me that you are displacing the number at a time critical in their lives.

Senator QUAYLE. It would be a period of about 5 or 6 months.

General TEMPLE. It is comparable to what you may have had.

Senator QUAYLE. That is the basic thing, and then return to the unit, and they could do that after high school or after college or after law school. In my case, I went between college and law school. It is disruptive and I lost a year back in law school and that hurt.

General TEMPLE. But each of us voluntarily made that decision.

General BERKMAN. I don't know that I can add much. The basic condition of your hypothetical situation was that the All-Volunteer Army didn't work. By that you mean, of course, the All-Volunteer Reserve portions of the Army.

I think any kind of selective service requirement that ties to it acceptable service in the Individual Ready Reserve as an alternative to participation in a selected Reserve unit, I think may very well have a salutary effect in solving that part of the strength equation. So I think that there possibly would be an advantage.

Senator QUAYLE. OK. Thank you, Mr. Chairman.

Senator JEPSEN [presiding]. We will close down in a few minutes, and I have a few questions.

I would like to refer to the Department of Defense study that evaluated the category IV personnel who had been mislabeled "category III" due to the misnorming of the ASVAB tests. Senator Levin pointed out that in 4 out of 5 categories examined, category IV high school graduates did about as well as category III's. I am concerned those findings not be misunderstood.

Each of the areas examined—completed service, attained E-4, eligible for reenlistment, completed training, and met minimum standards on qualification tests—are all related to the same persistence that permits these category IV's to meet the minimum standards necessary to complete high school. These are the guys who "cooperate and graduate" but they are not A, B, and C students.

In the one area where achievement was crudely measured—passing skill qualification test—category IV's, even with high school degrees—did much worse, 51 percent versus 71 percent; and this was in nine skills such as military police, infantryman and artilleryman, which are least demanding.

RESTRICTING NUMBER OF CATEGORY IV'S

As I read this study, even by the crude standards it sets, I see that a quality Army can accept only some limited number of category IV's.

I would like to know how many category IV's the Army can take before it experiences a major decline in mission effectiveness.

Would any one of you like to comment on that?

Mr. CLARK. I don't believe I can give you a precise answer. I would point out that our objective is consistent with the restraints that Congress placed on us, to reduce the number of category IV's to around the 30 percent mark at the end of this recruiting year. It will continue to go down to around the 25-percent mark the following year.

I would like to see it decline further than that.

General YERKS. I think with the constraints placed upon us by Congress, I think we should at this stage continue. We are trying to make those objectives and I see no problem with meeting it this year. It is going to be more difficult because it constrains the market, and in subsequent years, but I point out again that the emphasis will not be on the categories I, II, III, and IV. There is just a good commonsense feeling that I think most people have that categories I, II, and III are more trainable. We should concentrate on the higher mental categories and we should concentrate on high-school graduates.

Mr. CLARK. I would like to add one other point. Our problem is our need to take more of the upper categories in and not so much the limiting of the lower categories. If you have more people at the upper end of the spectrum you can afford to have people at the lower end of the spectrum.

Senator JEPSEN. By the standards mentioned by Mr. Levin, you could have an Army platoon made up of 100 percent of category IV's and still meet your minimum standards; is that correct?

Mr. **Clark**. That is not correct insofar as I am concerned. I believe you need a mixture of people. I don't believe you can have an effective unit in which every person is minimally qualified.

General **Yerks**. I wholeheartedly concur.

Senator **Jepsen**. Thank you very much. Whereas I intend to work as chairman of this subcommittee with all of the services and branches without fear or favor, I do want you to know that I care very much about the Army. I am a veteran, and my oldest son is an Army veteran of Vietnam, with many hours of combat, and my son-in-law is currently on active duty as a recruiter for the Army. So I am pledged to all of you as members of the Army and National Guard and Reserve that we are going to be most concerned and working hard to do everything we can to correct inequities or whatever they are, to identify the problems and working to solve them.

Mr. Clark, your very famous and distinguished father was a very early hero of mine. It has been a great pleasure to meet you and I will look forward to working with you in the days to come.

Thank you all.

CIVILIAN MANPOWER

General **Yerks**. Could I add one comment? There is one area that was not touched on today and that I respectfully request that the committee take note of and that very clearly impacts on readiness, and that is our civilian manpower. We feel in order to get marginally ready to mobilize now we need about 65,000 additional civilians.

It was mentioned in Mr. Clark's initial statement, the percentage nearing 14 percent cut of civilians in the Army, whereas the rest of the Federal Government agencies have only reduced around 1 percent.

We need some help. We have some 26,000 to 28,000 soldiers each day being diverted from their primary mission doing civilian jobs because of our civilian cuts. If we have one priority today in the manpower area that would improve near-term readiness, it would be assistance in the civilian accounts. The Army also supports the DOD effort to repeal the high-grade civilian reductions directed by the Congress.

Senator **Jepsen**. Thank you. We will pursue that in depth. If there is nothing further, we will recess now.

[Questions with answers supplied follow:]

Questions Submitted By Senator Roger W. Jepsen

Improving Military Justice

Senator **Jepsen**. Last year the Congress took a major step in military law by eliminating fraudulent enlistments in *Catlow/Russo* cases as a bar to jurisdiction. What further legislative proposals do you favor to improve our military justice system?

Mr. **Clark**. The prompt manner in which Congress responded to the problems arising out of the Catlow and Russo decisions, which voided court-martial jurisdiction where recruiter misconduct is involved, was superb. The changes to Article 2, UCMJ, have virtually eliminated the problem.

Our primary legislative interest in the 97th Congress will be to simplify the referral, trial and review of courts-martial. Proposed legislation to accomplish these goals was included in the Department of Defense legislative program for the 96th Congress and introduced as H.R. 3805. However, no action was taken on the bill. The Army will enthusiastically support this legislation when reintroduced.

The Army has also supported the need for legislation relating to the size of the Court of Military Appeals and providing for appeals from that Court to the Supreme Court. The intent of this legislative proposal was to improve the Court's stability and permit appeals of decisions adverse to the Government. Legislation passed in the 96th Congress providing for a minimum ten year appointment of judges will help provide stability in Court membership. It is our understanding that the Department of Defense is conducting additional study on the proposals relating to the size of the Court and appeals to the Supreme Court. The Army will review these proposals as part of that study.

In addition to the DOD legislative package the Army will also be recommending changes to the nonjudicial punishment provisions of Article 15 to simplify the procedures, mandatory leave for recalcitrant soldiers who have served their sentence to confinement and are awaiting completion of appellate review, provision for Government appeal of adverse rulings by the military judge, and a comprehensive punitive article relating to drug abuse offenses. Drafting of these proposals has been undertaken by the Joint Service Committee on Military Justice, and it is hoped that these proposals will be submitted to the Congress within the next few months.

TIGHTENING ARMY STANDARDS

Senator **Jepsen**. Secretary Marsh and General Meyers stated that the Army has not challenged its soldiers sufficiently and that tightening of standards is necessary.

In what areas has the Army not challenged its soldiers sufficiently?

In your opinion are we meeting their expectations?

Does the tightening of standards apply to the U.S. Military Academy at West Point?

Mr. **Clark**. As in his appearance before the Senate Armed Services Committee on February, General Meyer's comments concerning tightening standards and discipline were in the context of better preparing the Army for the challenges and rigors of combat. We are attacking this issue in two ways. First, we intend to improve the soldierization process in the training base by increasing the time we train the individual soldiers to provide them with more and better training, physical fitness and discipline before they join their first unit. Second, we have specific stability initiatives in our personnel system which will attack turbulence, the biggest detriment to our readiness, so that when soldiers arrive in their units they will be able to stay together to build the bonds of cohesion and unit identity that all of the studies after World War II indicate led to increased combat capability.

I am unaware of any need to tighten the standards and discipline at U.S. Military Academy at this time.

WOMEN SOLDIERS

Senator **Jepsen**. The Air Force Times recently reported that 10 percent of Army women are pregnant at any given time. Those who are pregnant cannot be transferred overseas and those who become pregnant overseas would have to be evacuated with dependents prior to mobilization for war.

Secretary Clark, what effect does the unavailability of these women have on readiness?

Mr. **Clark**. Army policy provides that pregnant soldiers will not be deployed overseas and that those 18 or more weeks pregnant in hostile areas will be automatically evacuated when noncombatant evacuation plans are implemented. Lieutenant Colonel level commanders are authorized to order evacuation of those less than 18 weeks pregnant. Any soldier who is unavailable for duty impacts adversely on the readiness and cohesion of his or her organization.

Senator **Jepsen**. The Army has 18,000 sole parents in uniform. General Yerks, what percentage are assigned overseas?

General **Yerks**. We do not have precise data. The 18,200 Active Component estimate is based on a November 1978 sample survey. The survey data were not reliable enough to allow a breakdown by area, grade, age, or other such classifications.

Two current efforts are underway to gather data. The February 1981 Active Component sample survey will provide results in June 1981. Major commanders and the Reserve Components have also been asked to count the single parents actually assigned to them as of 20 February 1981. These numbers will be compiled and forwarded to Headquarters, Department of the Army in April 1981 (Active Component) and June 1981 (Reserve Components).

Approximately 40 percent of the Active Component is overseas. Since active component single parents are expected to serve their share of foreign service tours, we can assume there are approximately 7000–7500 Active Component single parents overseas.

BACKLOG OF MAINTENANCE AND REPAIR

Senator Jepsen. There is a substantial backlog of maintenance and repair work—BMAR—in Europe, much of which directly affects the quality of life of our soldiers and dependents.

Does the Army intend to give the problem greater priority by dedicating more funds to the M&R account?

General Yerks. We recognize there is a substantial backlog of maintenance and repair (BMAR) work in Europe: this backlog is currently projected to be $1.4 billion at the start of fiscal year 1982. This situation has developed over the years due to other priorities such as modernization, inflation, and fuel and utilities increases. As a result, maintenance and repair efforts have been deferred. Now, with emphasis in the manpower arena to retain good soldiers, we are focusing more of our attention toward dealing with this BMAR problem. In that regard, our fiscal year 1982 budget request contains an increase of $189 million over fiscal year 1981 for facilities maintenance in Europe. This increase will result in a reduction in the actual number of projects and work to be completed in Europe, but, due to the effects of inflation on the remaining backlog, the actual dollar value of BMAR will grow slightly ($20 million) in fiscal year 1982. We are increasing our attention on the quality of life of our soldiers and their families and, correspondingly, plan to increase resources in the maintenance and repair account for Europe. The Army will continue to balance priorities within resource constraints to satisfy, as much as possible, the needs of soldiers in their working and living environment.

Senator Jepsen. On page 18 you state, Mr. Clark, that the fiscal year 1982 budget includes $143.5 million for 31 projects to construct or modernize barracks, BOQs, dining and company administrative and supply facilities. What percentage of this amount is dedicated to the inadequate barracks in Germany?

Mr. Clark. About $76 million or 53 percent is dedicated to Germany.

Senator Jepsen. Mr. Clark, the budget also includes $11 million for design and $79 million for construction of facilities such as physical fitness centers, auto craft centers, chapels, recreation centers and child-care centers. What is the breakdown for each and the total percentage dedicated for overseas facilities?

Mr. Clark. The construction is broken out as follows:

[Dollar amounts in thousands]

	United States	Overseas
Physical fitness centers/gym/fields	$17, 400	$23, 900
Child care centers	2, 200	1, 800
Automotive self-help garages		4, 400
Commissary warehouse		1, 700
Chapel		2, 600
Fire station	1, 450	
Utilities construction for community center		3, 300
Medical admin/support	6, 700	
Community activities/support (multiple use facilities):		
Gym/library		8, 371
Recreation center/library		1, 060
Post offices/finance office		1, 850
Education center/other use at 3 sites in Turkey		2, 250
Total	27, 750	51, 231
Percentage	35	65

The $11 million for design cannot be broken out because while the requirement for design funds is based on specific needs in future years, the budget request does not identify the specific use on a line by line basis.

DEPENDENTS OVERSEAS

Senator **Jepsen**. In 1980, General Meyer and General Rogers testified that the congressional ceiling on the number of dependents overseas was harming morale and discouraging reenlistments.

Secretary Clark, what is the number of command-sponsored and noncommand-sponsored dependents currently overseas?

How has the overseas dependents ceiling affected the morale of our troops abroad?

Has the family separation allowance authorized by Congress last year encouraged junior enlisted personnel to take unaccompanied tours overseas?

Mr. Secretary, would you comment on the value of making the overseas dependents ceiling more flexible for less dangerous areas of the world?

Mr. **Clark**. As of 31 January 1981, there were 164,658 Army command-sponsored dependents overseas. The projections for February, March, and April 1981 are 166,124, 166,068, and 165,660, respectively. The current Army ceiling is 168,000 command-sponsored dependents. This equates to operating within 1.4 percent of the authorized ceiling for the next three months. The margin may be less during the high turbulence summer months. Noncommand-sponsored Army dependents overseas total 17,385 as of 31 January 1981, but are not under a ceiling constraint.

To stay within the command-sponsored ceiling, CINCUSAREUR implemented temporary actions in the summer and fall of calendar year 1980. These actions disrupted the plans of 5,500 Army dependents, impacting adverssely on the families concerned. The impact of these actions on morale and our families was so great that we will implement similar actions only when absolutely necessary to stay within the ceiling.

Since the family separation allowance for junior enlisted personnel went into effect the number of noncommand-sponsored overseas dependents dropped by 2,200. However, we do not know the influence of the new entitlement on that change, just as we do not know the influence of the 18 month tour for married first termers. The trend for the last two years has been a gradual decrease in the number of noncommand-sponsored dependents overseas.

Flexibility in the authorized ceiling of dependents overseas for less dangerous areas of the world would be highly desirable if the European theater is included in the phrase "less dangeous areas." The latest figures indicate that 96 percent of the Army command-sponsored dependents overseas are located in the European theater. Flexibility in this ceiling would permit better management during the high turbulence periods. While it is desirous to have flexibility in all areas of the world, overall impact of the flexible ceiling would be minimal unless the European theater is included. The Army feels very strongly that the Armed Services should not be singled out as the only group to have a restriction placed on the number of overseas dependents. We feel that the ceiling should be eliminated.

Senator **Jepsen**. Mr. Clark, what are the major hurdles you face in your efforts to integrate the Reservists into a Total Force Policy?

Mr. **Clark**. The Reserve Component has been fully integrated into the Total Army. Current active structure necessitates increased reliance upon the early availability of Reserve Component elements in the event of war. Fifty percent of our combat power and 70 percent of our logistics support exists in the Reserve Components. Although the readiness in our Reserve Components is improving, there are still major shortages in personnel and equipment. Recent steps to improve our manpower strength are showing success but we still remain far short of our wartime requirements. Equipment remains a major problem both in shortages and incompatibility as we introduce new weapons systems. We have made significant improvements in the readiness of our Reserve Components and are continuing to take actions to improve the capability of the Total Army.

TOTAL FORCE POLICY

Senator **Jepsen**. Mr. Clark, in order to attain the full potential of the Total Force Policy, integration of Active and Reserve units in training is very important. Have our Reservists participated in joint exercises with the Active forces this past year and what is planned for the future?

Mr. **Clark**. More than 200 Reserve Component units participated in Joint Training Exercises during fiscal year 1980. The level of unit participation varied from a small cell to an entire battalion.

Participation in Joint Training Exercises gives the Reserves a peacetime opportunity to train with Active forces they are designed to support or fight alongside in wartime. A good example of this is the most recent Return of Forces to Germany (Reforger) exercise conducted last fall. A total of 31 Reserve units, 18 Army Reserve and 13 National Guard, comprising over 3,000 personnel were included in the Reforger troop list. One National Guard unit, the 3rd Battalion of the 178th Field Artillery, from South Carolina, deployed to Europe and successfully drew and utilized prepositioned equipment during the exercise.

Plans are to gradually increase the level of Reserve participation in line with the increasing dependence on our Reserves to support and augment the Active force. A 3–5 year exercise plan is currently being developed which will provide the Reserves sufficient time to plan and fund participation in Joint Training Exercises.

LACK OF MEDICAL AND DENTAL CARE

Senator **Jepsen**. Mr. Clark, a frequently voiced complaint by service members and dependents centers on the lack of adequate medical and dental care. The level of expectation is not commensurate with the level of reality.

Mr. Secretary, specifically what legislative proposals do you recommend that would enhance the direct health care delivery system and CHAMPUS?

Do you favor dental benefits for dependents, and if so, in what form?

Mr. **Clark**. There are several legislative initiatives that will be proposed to enhance the direct health care delivery system and CHAMPUS. The Army supports a bill introduced by Senator Percy (S. 266) which would establish a Federal Interagency Medical Resources Committee to affect the sharing of medical services among Federal Health Providers. Sharing would increase the availability of care to our beneficiary population and result in cost savings as we eliminate duplication of equipment and services. To enhance CHAMPUS, OSD is considering legislative action in several areas. The Army supports the following areas of consideration, in priority, as follows:

1. Expand CHAMPUS to cover dependent dental care.
2. Establish an annual ceiling of $1,000 per family on costs assessed to beneficiaries of all categories (in case of catastrophic illness).
3. Allow greater flexibility in the method for computing the maximum allowable reimbursement to health care providers. This would permit OSD to establish realistic payment that would increase provider participation in CHAMPUS and reduce out-of-pocket expenses for service families.
4. Authorize eye and hearing examinations.
5. Continue after age 65 CHAMPUS benefits not covered by medicare (primarily prescription drugs).

As mentioned above, dental benefits for dependents will be a legislative area for which I will recommend support. Legislation is needed to add dependent dental care benefits to the CHAMPUS program as well as authorizing dependent dental care in all military dental facilities when on a space and resource availability basis. Dental care for dependents is a dissatisfier among active duty personnel and such legislation would enhance health care now available to active duty.

Senator **Jepsen**. General Yerks, during last year's hearing on the Army Authorization Request you stated that the increased number of accessions in the lower mental category groups is having its greatest impact on trainability and the affordabililty of training. You further stated that the Army would have to focus its attention on this area of concern.

Can you advise this committee on what your studies have found and what changes, if any, in training are anticipated?

In terms of training, is retention of material by the average soldier a problem? What percentage of recruits must be recycled through the training program?

General **Yerks**. The Army knows that it must recruit more high scoring high school diploma graduates to decrease training time and attrition, to decrease overall first term attrition, and to improve the flow of higher scoring people into the NCO Corps.

The Army is expanding its Initial Entry Training to improve soldiers' performance in battlefield survival skills.

The ARI has has recently completed a series of studies of the skill retention question. The reports indicate that the major elements of retention are the initial acquisition level of a skill together with the frequency and amount of reinforcement training in that skill. The tentative conclusion is that the Army does have a skill retention problem. Major contributing factors are the exporting of initial skill training to units coupled with time constraints, Noncommissioned Officer shortages, and turbulence in units all of which limits their ability to provide initial skill acquisition and reinforcement training necessary for retention. The Army is already seriously attacking these problems.

The Army has just begun to collect data on the recycling problem; i.e., how many times a trainee must retake portions of training in the same skill. Therefore, I cannot answer that question at this time. Approximately 8 percent are retrained in another skill.

Questions Submitted by Senator J. James Exon

ARMY DESERTION RATE

Senator **Exon**. Secretary Clark, I understand that the Army AWOL rate and the Army desertion rate both increased in 1980. This is the first increase in reported AWOL rate statistics since 1970. While the reported rates are still lower than those of the late 1960s and early 1970s, do you consider this increase in both of these indicators of indiscipline to be a serious warning of funding problems?

Mr. **Clark**. Yes. Increases in these indiscipline indicators can be read as a warning that past funding which impacted upon the soldier and his family were less than adequate. On the other hand, many absentee offenders are administratively separated prior to termination of their enlistment contract. These early attrition losses increase recruiting costs, training costs, and other personnel costs associated with manning the force. Economies are realized when trained soldiers fulfill their enlistment contracts and reenlist for additional service.

Senator **Exon**. Mr. Clark, one of the claimed benefits of the All Volunteer Force has been the decline in discipline problems. The decline in Army desertion rates from 1974 levels has often been cited as a benefit of the volunteer force. However, the information you have presented today shows an increase in desertion rates from fiscal year 1978 to fiscal year 1979, and another increase from fiscal year 1979 to fiscal year 1980. The fiscal year 1980 desertion rate of 19.6 per 1,000 is the highest in five years.

What accounts for these increasing desertion problems? In the early years of the All Volunteer Force when the Marine Corps began accessing large numbers of nonhigh-school graduates its desertion rate increased dramatically. Are we now seeing a similar pattern in the Army? Do you expect desertion rates to increase further this year?

Mr. **Clark**. The Army may be seeing the same desertion rate increases as those seen by the Marine Corps after they began accessing large numbers of nonhigh-school diploma graduates. We are accessing large numbers of nonhigh-school diploma graduates, but the Army desertion rate increases in fiscal years 1979 and 1980 cannot yet be attributed to any single dominating factor. However, we know that entry standards impact upon indiscipline rates. In this regard, Army leadership programs emphasize unit cohesion, reducing personnel turbulence, increasing initial entry training and eliminating leadership shortages. Long term affiliation by the soldier with his unit together with Army leadership also being kept in command positions for longer time periods should encourage personal confidence and stability and deter absenteeism. While one fiscal quarter is not a reliable sampling, the first quarter fiscal year 1981 desertion rates show a definite decline over the same period for 1980. We are hopeful this decline can continue through fiscal year 1981.

Senator **Exon**. Gentlemen, I was very pleased yesterday to meet with the top Army recruiters and retention NCOs. These men have done an excellent job in a most difficult environment and are performing a real service for the Army and the country.

I am not sure my colleagues realize how much of a strain recruiting has become. According to your statements, the Army plans to recruit 75,000 male high-school-diploma graduates in fiscal year 1982. The main problem of the recruiter is finding sufficient male high-school graduates. To achieve this objective, the Army will have 5,849 military production recruiters, 1,435 recruiter aides and an additional 1,333 civilians and 3,139 military in support jobs. The total manpower is 11,756.

That is one person in recruiting for recruiting support for exery six or seven recruits that are brought into the Army. Just looking at the number of production recruiters, it would imply that these recruiters would be expected to recruit about one male high-school graduate per month for the Army. This low ratio of recruits to recruiters clearly indicates the strain that recruiting has become.

Secretary Clark and General Yerks, do you think we have reached the point where adding more recruiters is not productive?

Mr. CLARK. We should not limit the Army's flexibility to use any particular resource that allows more higher scoring High School Diploma Graduates to be recruited. We are committed to recruiting the best Army possible. This must be done in an extremely difficult recruiting environment and the Army must have the flexibility to capitalize on any opportunity to increase our penetration of higher scoring High School Diploma Graduate market.

The manpower in support of recruiting also includes those associated with the Reserves. The Recuriting Command also has the responsibility for recruiting some 64,000 U.S. Army Reserve Accessions for fiscal year 1982.

REINSTITUTING A GI BILL

Senator EXON. Mr. Clark, as you know, there are a number of proposals already introduced in Congress to reinstitute some form of a GI bill. The Army has been supportive of additional educational benefits, and the test program enacted into law in last year's authorization bill included most of your suggestions, including authority to pass the benefits along to dependents.

Have you decided on the specific provisions of a new GI bill that you think would work best?

Have you seen evidence of the effect of the test program authority last year that is currently in effect?

Mr. CLARK. Secretary Weinberger has testified as follows: "Educational benefits for military personnel are extremely important factors in retention. We now offer educational assistance of up to $14,100 to some recruits, and (as part of a Congressionally-mandated experiment) we are testing programs in fiscal year 1981 that are worth up to $20,100. The purpose of the test is to find out which programs will work best to recruit and retain the people we need. We will report on the test and on the basis of the results, recommend a permanent program in time for next year's authorization hearings. To do so before those test results are known would be premature and frustrate the study mandated by the Congress. What we do not want and need is legislation that hinders rather than helps the total All-Volunteer Force."

If the Defense Department determines that a GI bill is the best way to provide educational assistance, the Army believes it should have the following features:

1. Noncontributory education benefits available to all military personnel as a recruiting and retention enhancement. Provisions for active duty servicemembers to transfer from VEAP & Vietnam Era Bill with an obligation for service. Inservice use authorized after completion of one year of service.
2. Benefits available only to those receiving an honorable discharge after completion of service.
3. Total program administered and funded by Veterans Administration.
4. Benefits earned at rate of one month of education entitlement for each month of active service up to a maximum of 36 months (four academic years).
5. Basic benefit consists of a monthly entitlement of $300 for completion of less than six years of service; $600 per month for completion of six or more years of active service.
6. Transferability of unused benefits to dependents authorized after completion of ten years of active duty service while remaining on active duty; otherwise within ten years of retirement of servicemember.
7. Selected Reserve benefits accrual at half the active duty rate with a provision for part-time use of the entitlement. Transferability option is not available to Reserve personnel.
8. Delimiting date for benefits is ten years from servicemember's fina separation from service.

None of the several proposals I have reviewed that have been introduced in Congress fully provide these features.

Senator EXON. Mr. Clark, on page 9 of your statement for the record you outline part of the current educational assistance test program which "allows a soldier to accumulate up to $15,200 for a 2-year enlistment and $20,100 for 3- and 4-year enlistments. How do these benefit levels compare to what you think should be included in a new GI bill? What results do you expect we will see when the test program is completed from these highest educational assistance levels?

Do you think Congress should wait for the results of those tests before enacting additional legislation?

Mr. CLARK. Secretary Weinberger has expressed the views of the Defense Department as follows: "Educational benefits for military personnel are extremely important factors in retention. We now offer educational assistance of up to $14,100 to some recruits, and (as part of a congressionally-mandated experiment) we are testing programs in fiscal year 1981 that are worth up to $20,100. The purpose of the test is to find out which programs will work best to recruit and retain the people we need. We will report on the test and on the basis of the results, recommend a permanent program in time for next year's authorization hearings. To do so before those test results are known would be premature and frustrate the study mandated by the Congress. What we do not want and need is legislation that hinders rather than helps the total All-Volunteer Force."

RETENTION OF MIDCAREER SOLDIERS

Senator EXON. Secretary Clark and General Yerks, you cite problems in the retention of mid-career soldiers. General Meyer has referred to this retention problem as the Army's most serious near-term manning problem. I would like to reconcile that statement with other facts that have been presented. As I understand it (a) the career enlisted force of the Army is the largest in recent history. At the height of Vietnam the Army enlisted career force was 256,000 compared to over 320,000 by the end of fiscal year 1979; (b) for fiscal year 1980 the first-term reenlistment rate in the Army was 50.6 percent, which I understand is the highest ever achieved; (c) the Army's fiscal year 1980 reenlistment objective was to reenlist 44 percent of first-term personnel—compared to the 50.6 percent who actually reenlisted—and 66 percent of second-term and other career personnel—compared to the 69 percent who actually reenlisted. So the Army exceeded its enlistment goals for both first-term and career reenlistments.

How would you reconcile the statement that retention is your most serious problem when it appears in statistics that it is one of your greatest successes?

Mr. CLARK. During the past three fiscal years, the Army did meet aggregate reenlistment objectives and was successful in achieving overall career content goals. However, much of this has resulted from increased retention of our first-term soldiers. Mid-career and senior career NCO shortages continue to exist in many skills and are particularly severe in the combat arms, intelligence and selected high technology fields. The reenlistment objective system, while adequate in the aggregate, did not clearly focus on the Army's needs for middle grade soldiers. On 1 October 1980, we implemented a revised objective system which adds an objective for career soldiers with up to ten years service and places more emphasis on retaining soldiers near their expiration term of service (ETS).

Since fiscal year 1979, our need for Top 5 NCOs (E5–E9) has increased. Overall force structure increases have resulted in additional requirements in skills which are already short, compounding our NCO problems. Thus, while our reenlistment successes have provided us essentially the total numbers we need in certain skills and year groups, the problem has not been solved. Improved management and the recent pay and conpensation adjustments should help enlisted retention. However, NCO shortages in critical skills will persist until positive actions are implemented, such as reinstatement of GI Bill with transferability to dependents, reestablishment of pay comparability, increased monetary incentives and other initiatives which make Army service in critical skills more attractive.

Senator EXON. General Yerks, as recently as 1977 the Army opposed recommendations by the Senate Armed Services Committee to increase the size of the career force as a means of reducing the requirement for new recruits. According to one of your predecessors as Deputy Chief of Staff for Personnel, Lt. General Moore, I quote: "The Army's objective is to have a force of 45 percent careerists and 55 percent first-term soldiers. This 45/55 ratio of careerists/first-terms offers the best balance of youth, experience and cost . . . Uncontrolled growth or too rapid growth of the career force leads to a more expensive Army because of increased longevity, higher ranks, family support and retirement costs. It also does not provide the type of career progression required to attract and retain the highly qualified and ambitious soldier in today's environment."

General Yerks, what is the Army's current objective for a career force, compared to the 45 percent objective stated by General Moore? What has changed since General Moore made his statement before this subcommittee?

General YERKS. In Oct 1980 the Army revised its Enlisted Force Management Plan (EFMP) which expresses in grades quantitative terms, the long range enlisted personnel goals and objectives necessary to optimize fill of projected documented requirements. The 1980 EFMP calls for an increase in enlisted career force to 339,000, or 49.8 percent by fiscal year 1982 which is considerably larger than the 45 percent careerists called for in the 1975 plan.

Several things have occured which make an increased career content desirable. First, the Army structure has changed. We have reduced the trainee, transient, holdee and student, or overhead account. This allows us to field more units with the same basic end strength. In 1975 the operating strength on 30 September, was 646,700 with an end strength, less USMA Cadets, of 770,700. In 1980, the operating strength on 30 September was 659,600 with an end strength, less USMA Cadets, of 772,160. That's an increase of 12,900 soldiers performing in units, with a management end strength increase of only 1460. The new plan also provides for programs which were not envisioned in the 1975 time frame. Force modernization, the Full Time Manning Program and increased recruiter NCOs are examples of these programs. The career content objective is not a sacrosanct number, but rather an objective which has been designed to support the Army's requirements. Two factors come into play during development of this objective. The first factor is the desirability aspect from a cost, force structure and sustainability viewpoint. The second factor is obtainability. In 1975, the Army career content was only 40.4 percent and we were targeting to achieve 45 percent. As the Army was able to realize this career content, the EFMP was revised in 1978 to achieve a career content of 331,777 (48.8 percent). So really the increase has been evolutionary. Overall the increase in careerists has been a very positive factor for the Army. It has enabled the Army to reduce the requirements for non-prior service accessions and the associated training costs while providing a more experienced and productive force in an increasingly competitive manpower market.

READINESS PROBLEMS?

Senator EXON. Mr. Clark, on page 5 of your statement you say, "Field commanders with large numbers of women in their units are sending us signals that they may be readiness problems. They are concerned because more women than men in comparable skills may be unable to perform all tasks associated with unit missions in a hostile environment."

Are you signaling a change in the Army's position about increasing the number of women who can be utilized in the Army?

What are the readiness problems that field commanders are reporting to you?

Do these readiness problems show up in the C-status readiness reporting system?

Mr. CLARK. The Army desires to level out the number of enlisted women in the Active Component at a strength of about 65,000 for the immediate future. We have adjusted the fiscal year 1981 and 1983 accession objectives accordingly and will reflect this number in the manpower program supporting the fiscal year 1982 Budget and fiscal year 1983–87 Army Programs.

These modifications were prompted by indications from field commanders that combat readiness is being affected by such factors as attrition, pregnancy, sole parenthood, and strength and stamina, which have come to light during the recent rapid increase in the number of women in the Army. Several commanders have voiced concern about large numbers of women in the readiness reports, but C-rating status has not been affected to date.

The Army needs time to sort out the impact of women officers and enlisted personnel on the combat readiness of the Active and Reserve Forces. We must continue to analyze this problem in an orderly way and make the required management adjustments over time.

REINSTATING PEACETIME REGISTRATION

Senator EXON. Mr. Clark, one of the issues that was raised in the debate on whether or not not to reinstate peacetime registration was that an earlier delivery of new inductees would not be useful because the Army training base could not accommodate the larger numbers. Last year we were assured that the numbers could be accommodated by an expansion of the training base.

On page 33 of your statement you refer to a "total potential input capacity" of 333,000 soldiers by M plus 90, including 133,000 during the first month. You continue that "this capacity cannot be attained. Thus, the training base input is limit to only 182,000 by M plus 90 days including 83,000 during the first month."

Witnesses from the Office of the Secretary of Defense have testified that new, more stringent requirements have now been levied on the Selective Service System to deliver 100,000 inductees by M plus 30.

Since you would undoubtedly receive some volunteers during that period, is your statement that only 83,000 could be accommodated imply that we cannot induct the numbers that the Selective Service System can provide because we cannot train them even though we know that there will be huge combat manpower shortages?

Mr. CLARK. The mobilization capacity of the Army training base, based upon available training cadre and emergency billeting plans, is 133,000 new trainees during the first month following mobilization:

	Capacity by M+30 days
Sources of input:	
Draftees	80, 000
Volunteers	8, 000
Delayed entry program	20, 000
Reservists awaiting training	4, 000
IRR requiring reclassification	21, 000
Total	133, 000

The Army currently is equipment constrained in two respects in meeting this capacity. First, there exist inadequate levels of individual weapons, clothing, and equipment to accommodate these large numbers of trainees. To remedy that situation the Army's fiscal year 1982 budget request includes funds for refurbishing weapons and purchasing individual clothing and equipment that would allow the Army to have enough for a training input of 133,000 new trainees in the first month after mobilization. Second, there is a shortage of unit equipment for post-mobilization training. The Army does not now have enough equipment to provide fully for mobilization level of training, to equip early deploying units, and to replace equipment consumed in the high intensity conflict we assume would take place in Europe. Thus, if the Army accepted 133,000 trainees and made a decision that replacement of unit equipment for front line forces was more important than providing available equipment to the training base, the quality of training would suffer unacceptably. We estimate that, if additional equipment were not made available to the training base in time of emergency, only 83,000 soldiers could begin training in the first month after mobilization if minimum training standards were to be maintained.

The fiscal year 1982 Budget and the amendment to that budget submitted to Congress on March 10 by President Reagan will begin to alleviate these Army equipment problems.

SOVIET MILITARY MANPOWER

Senator EXON. General Yerks, I would appreciate your comments on Soviet military manpower.

As I understand it, the Soviet army is composed primarily of conscripts who serve with little training for a two-year period. Its reserve forces have no unit organization, receive no weekend training and only infrequent individual training. Again, the reserves are primarily former conscripts with limited technical training.

How can they maintain and operate with this kind of manpower while, in contrast, we emphasize the need for more experienced NCOs, more technical skills and training for the Reserves?

General Yerks. Though it is certainly correct that the Soviet Army is composed largely of two-year conscripts, it is incorrect to say that they serve with little training. To begin with, all Soviet youths, male and female, are required to undergo 140 hours of premilitary basic training at their schools or places of work, usually beginning at age 15. This training consists of 2 to 3 hours per week over a 2-year period, and includes such subjects as organization of the Soviet armed forces, close order drill, military regulations, saluting, interior guard, marksmanship, grenade throwing, military topography, small unit tactics, and field training. In addition some youths are selected for premilitary specialist training given by a civilian organization known by its acronym of DOSAAF which stands for the Voluntary Society for Cooperation with the Army, Aviation, and the Fleet. The number of these specialists and types of specialties are determined by the Soviet Ministry of Defense and include drivers, mechanics, generator repairman, and radio operators. Once they're inducted, Soviet conscripts receive additional training. [Deleted.] Those conscripts not selected for 6-month training courses receive about 4 weeks basic training, after which they are given on-the-job training for the jobs they are to perform. Finally, all Soviet soldiers benefit from the unit training system of the Soviet ground forces which includes individual and small unit training field training exercises (FTX's) and command post exercises (CPX's).

Once the Soviet soldier completes his two-year term of conscript service, he is automatically placed in the Reserves until age 50.

Universal military training and the large standing armed forces of the Soviet Union results in approximately 1.7 million trained men being discharged into the Reserves every year. This means that at any given time, the Soviet Reserve force contains more than 8 million men who have served on active duty within the preceding 5 years. In fact, the Soviets themselves refer to their standing forces as a school for the Reserves. Since these reservists come from virtually every type of unit in the Soviet military, their active-duty skills are proportionally represented. [Deleted.] The total Soviet Reserve force of over 40,000,000 comprises about 80 percent of the males of military age in the USSR or about 20 percent of the entire population. There are also an undetermined number of women in the Reserves since those with medical or other specialized training are required to register as are those who have served on active duty in any capacity.

As you already noted, the Soviets don't have organized Reserve combat units to which they regularly report for training and which could be mobilized in wartime. Most Soviet units, both combat and support, inside the USSR are maintained at less than full strength in peacetime. [Deleted.]

However, the vast majority of reservists have no designated unit of assignment, but are classified by rank and MOS (Military Occupational Specialty) for assignment as required. [Deleted.]

An obvious strength of the Soviet system is that it provides a huge pool of reservists who have seen active military service. Another strength is that it is administered locally by [deleted] full-time military and civilian workers as part of their duties in a national system of regional and local military manpower administrative offices called voyenkomaty. [Deleted.] Each voyenkomat maintains current files on all reservists under the of 50 within its jurisdiction.

The system appears to be effective.

END STRENGTH CONSTRAINTS

Senator EXON. General Yerks, you refer in your statement to "end strength constraints." By this do you mean the number that is included in the authorization bill as a ceiling for the Army, or do you mean that the Army has now reached the point where significant increases in end strength could not be achieved in an All-Volunteer Force environment?

General Meyer has testified that an Army of over 800,000 is not achievable under All-Volunteer Force.

General YERKS. We are not at that point at this time. In fiscal year 1981, through a combination of recruiting and retention, we will reach our active Army end strength of 775,000. To achieve higher end strengths in fiscal year 1982 and beyond, we need Congressional support for the type of recruiting and retention resources which will allow us to recruit and re-enlist the kind of people we want in the Army. These resources include a GI bill with provisions to transfer benefits to dependents, competitive compensation, more flexible enlistment and reenlistment bonuses, modernization of the recruiter force, increased civilian end strength, and improved quality of life for the soldier and his family.

Senator EXON. General Yerks, we have received testimony indicating that our current forces are not capable of performing in all of the missions which have been assigned. Is one of the constraints in being able to accomplish these missions the All-Volunteer Force environment?

General YERKS. It is true during the first years of the institutionalization of the All-Volunteer Force capability has been diminished. The active and selected Reserve Components are short of desired peacetime strength levels and we are short of pre-trained military personnel to meet M+90 requirements. Within those aggregate numbers we are short officers and NCO's and we have some skill problems. These resulted not from movement to an AVF concept, but from the failure of both the executive and legislative branches to develop and resolve programs to make the AVF work. Additionally, force capability has been eroded by the loss of some 50,000 civilians since the advent of the AVF, and imposed reductions to the institutional training base at the very time individual training should have been expanding. Soldiers throughout the world are being required to perform functions which should be accomplished by civilians and they are not being properly trained before they join forces in the field. This results in unit/individual training problems, lower morale and readiness. We feel that it can work and work well, that the necessary programs are affordable and movement to correct this situation has commenced.

ARMY FORCES IN EUROPE LOW

Senator Exon. General Yerks, General Kroesen, the Commander of the Army Forces in Europe, has testified that the authorized military manpower levels in Europe are too low and that some support units that are now located in the Reserve components should be assigned to Europe and filled with active duty personnel. He has also indicated that many positions now occupied by civilians may create mobilization problems because the civilians would be evacuated from Europe in an emergency.

The implication from this is that these positions, too, should be filled by military personnel. Do you agree with General Koresen's statement on these needs? Could these increases be made under the All Volunteer Force?

General Yerks. An increase in the authorized military manpower levels in Europe could be supported provided this increase was accomplished without exceeding current Active Army end strength mandates. However, this action may adversely impact upon retention as our soldiers could face more repetitive oversea tours as well as shorter turnaround times between them. Additionally, to achieve a higher end strength we would need congressional support for the type of recruiting and retention resources which would allow us to recruit and reenlist the kind of people required in the Army. These resources included a GI bill with a provision for transferability to dependents, reestablishment of pay comparability, more flexible enlistment and reenlistment bonus, modernization of the recruiting force, increased civilian end strength, and improved quality of life for the soldier and his family.

Senator Exon. Mr. Clark, you refer to a new program that the Army hire more dependents than military personnel for civilian jobs in Europe. Is this policy going to make General Kroesen's problems worse because these dependents who would also be civilian employees would be evacuated in case of emergency?

Mr. Clark. The employment of dependents does not increase the number of persons to be evacuated in an emergency, nor would it create shortages in critical skills.

Generally speaking, dependents do not possess the types of skills considered critical in an emergency (engineer, equipment specialist, surgeon, etc.). They are usually employed in clerical positions or in nonappropriated fund jobs such as food service worker or recreational assistant.

Senator Exon. It seems to me that there is more evidence available now than there was at this time last year about the relationship between mental category and high-school graduation and job performance in the military. I would like to get your comments in response to the findings of a report submitted to this committee on December 31, 1980, entitled, "Implementation of New Armed Services Vocational Aptitude Battery and Actions to Improve the Enlistment Standards Process."

Criterion one, graduate from recruit training and pass a skill-training course.

The OSD report finds "strong relationship between ASVAB and success in training school."

Do you agree with that finding?

Mr. Clark. Yes, I agree with the finding.

Senator Exon. Criterion two (above): Must reach a standard level of performance tests before being recommended for promotion.

The OSD report finds those who were acrually enlisted by the Army because the test was misnormed had higher attrition rates. Further, they "had lower Skill Qualification Test, SQT, scores. Their poorer performance may affect the performance of Army units.

Mr. Clark, do you agree?

Mr. Clark. Yes, I agree with the findings.

Senator Exon. On promotion, the OSD report (above) says: "Strong difference in performance, on promotion scores, for different education levels and AFQT categories. These results indicate that ASVAB scores do predict which recruits do a better job."

The report (above) also states, "High-school graduates and those with higher AFQT scores were much more likely to be promoted to Grade E–5 during their first enlistment and during the first year after they reenlisted."

Mr. Clark, do you agree?

Mr. Clark. I agree in general that soldiers with high school diplomas and higher AFQT scores are more likely to be promoted to E5 in their first enlistment; however, some degree of the relationship between education levels and promotion is influenced by the fact promotion points are awarded on a graduated scale for various levels of education. For example, a high school graduate will receive 75 promotion points while a soldier who did not attend high school will receive none, and a soldier who completed only the ninth grade would receive only 15 promotion points. Since soldiers compete for promotion to E5 on an Army-wide basis, the greater the number of promotion points they earn the greater their opportunity and speed of promotion.

As a point of clarification, it should be noted that the segment of the OSD report which indicates there is a "strong difference in performance for different education levels and AFQT categories" and ". . . that ASVAB scores do predict which recruits will do a better job." relates to the findings concerning the Marine Corps (page 17, Appendix A of the report).

Senator Exon. Criterion three (above). Each first-termer is carefully evaluated to determine his eligibility to reenlist.

According to the OSD report (above): "High-school graduates are more likely to be recommended that nonhigh-school graduates and recruits in the upper AFQT categories are preferred to those in the lower ones."

Mr. Clark, do you agree?

Mr. Clark: I agree. High school graduates are more likely to be recommended for reenlistment than their non high school graduate contemporaries. Data from the latest accession cohort indicate that of those soldiers who complete their initial enlistment, 78 percent of the high school graduates are eligible to reenlist as compared to 69 percent of the non high school graduates. I also agree that the Army must recruit more higher scoring high school diploma graduates and Congressional support for the resources need to do this is required.

Senator Exon. Finally, on overall performance, according to the OSD report (above): "The most able nonhigh-school graduate performs about as well as the less able high-school graduate. Further, we see that within an education level the recruits in the upper AFQT categories perform much better than those in the lower categories."

The restrictions on mental categories in law are permanent law and would apply in a draft in an emergency as well as peacetime. Without these restrictions, what authority would you use to selectively conscript men with high talent, Mr. Clark?

Mr. Clark. We would have to get authority from the Office of the Secretary of Defense for the purpose of qualitative distribution of accessions under provisions of Department of Defense Instruction 1145.1

Questions Submitted By Senator Sam Nunn

FOOD STAMP ELIGIBILITY

Senator Nunn. Mr. Clark and General Yerks, there have been reports that from 100,000, to as many as 275,000 military families are eligible to receive food stamps. However, a report by the General Accounting Office issued in December, 1980, estimates that 19,700 military members were potentially eligible; that is, about 1 percent of the force and substantially less than previously estimated. Moreover, the GAO used very conservative estimates.

For example, they assumed that a spouse did not work. The number of military personnel on food stamps is a function of (1) eligibility criteria established by the Department of Agriculture and (2) the number of E–4 and E–5 personnel with a family size of three to six.

I, too, regret that any military personnel meet the eligibility requirements for the food stamp program, but to raise military pay so that mid-grade personnel with large families would always be above the Department of Agriculture eligibility criteria would require an increase of over $10 billion per year.

Mr. Clark and General Yerks, are you aware of this GAO report?

Do you think more than 1 percent of active military personnel are eligible for food stamps? Anyone eligible for commissary privileges could cash food stamps at the commissary, including retired personnel and Reservists on active duty for training, but I would like your views on active duty military personnel.

Mr. **Clark**. I am aware of the GAO report concerning military eligibility for food stamps, however, the Army maintains no records on the number of soldiers who apply for food stamps.

The U.S. Department of Agriculture food stamp program is administered by the various state welfare agencies. Determination of whether or not a household is eligible and, if eligible, the amount of food stamps to which entitled is made on an individual household basis by welfare case workers. There are many factors that are considered in such a determination. Army people, like other U.S. citizens and permanent residents, may apply for food stamps directly at the local welfare office. In view of the many eligibility factors, we do not have the data base to determine how many soldiers meet the eligibility requirements for food stamps.

Concerning the eligibility and use of food stamps by active duty military. I believe, in order to maintain the size and quality of force needed to defend our nation, pay and compensation should be raised above poverty levels. Improving the living standards and quality of life of our soldiers is directly related to readiness and retention. Pride of service and dedication to duty suffers when a soldier realizes he must stand in line for food stamps to support his family.

Senator **Nunn**. General Yerks, in last week's hearing, General Meyer mentioned one of the management improvements that the Army is exploring is unit rotation. It appears that these issues keep coming back on a periodic basis. In 1977, for example, General Rogers was questioned about the advantages of unit rotation and testified that it has an adverse impact on readiness. According to General Rogers, "The experience of the Army back with Gyroscope and Rotaplan and a series of these type of unit replacements has been confirmed by our experience with Brigade 75 and 76. Two things occur. The unit that rotates for six months is constructed in such a manner that its personnel will be with it all that time. That is absolutely delightful for a commander to know, that in that battalion he is going to have all his men for the full six months.

"So that is one side of the coin. Example, if one of the men fell by the wayside while they were in Europe, he has all the rest of them with him. That is a unique situation. But what happens to the units that are supplying the rotational units here in the CONUS? In order to get those soldiers who will be available for the full period or who do not have some compassionate reason to the contrary, we find that it impacts unfavorably upon the readiness of that unit.

"Now, maybe we are just not doing it as well as the Marines are."

General Yerks, what has changed since General Rogers made this statement to now lead you to the point that unit rotation is feasible and will enhance readiness?

General **Yerks**. In our past unit rotation systems we attempted to overlay unit rotation over the the current personnel system at that time. At the direction of the CSA we are embarked on an in-depth review of our personnel policies and procedures to determine what must be changed to make a unit rotation a success. The Army believes that a unit rotation, when conducted successfully, may improve readiness, cohesion and morale. As an integral part of the unit rotation evaluation, we will this month initiate a test with company sized units that will attempt to determine the effects on readiness, cohesion and morale of stabilizing individuals in the same unit for 3 years.

NEED OF INCREASED SUPPORT UNITS IN EUROPE

Senator **Nunn**. Mr. Clark, we have received testimony about the need for increased support units for the Army in Europe. I sponsored an amendment to the DOD Authorization Act for 1975 to increase the combat strength in Europe and the combat/support ratio.

In 1978, the GAO released a report indicating that the amendment resulted in an increase in the combat forces of the Army and a decrease in the authorized forces for headquarters and support services. The Army decided not to reduce positions in military community support—commissaries and postal services, recreation and libraries, transportation services and educational programs—for which there is little or no wartime need, and noncombat positions in the division level.

According to GAO, reductions in these areas have had less of a impact on wartime needs than some of the reductions that were made. GAO recommended that the Secretary of Defense require the Army in Europe to identify community support positions and division-level, noncombat positions that will have less impact on wartime needs than other positions which the Army chose to reduce. According to GAO, the Army should then convert these positions to more essential combat support positions.

Mr. Clark, what has the Office of the Secretary of Defense done with regard to these GAO recommendations?

Mr. **Clark.** DOD–MRA&L responded to GAO's recommendations in a letter dated 14 August 1978. The letter reflects that DOD satisfied the requirements of the Nunn Amendment. Further, it did not agree with the recommendation that the Secretary of Defense require the Army to identify community support positions and divisions noncombat positions for conversion to combat support positions. The Army had considered all support positions for possible conversion, including community support and division level non-combat functions during planning for implementation of the Nunn Amendment. No further conversions of these positions were deemed appropriate.

USAREUR is and has been committed to reducing manpower requirements to the minimum essential to accomplish its mission. Overall USAREUR units are at ALO 2. Doctrine for MTOE units is developed over an extensive period and field testing in major combined arms exercises. They simply are not candidates for piecemeal reductions. Those organized below ALO 1 or 2 may have great difficulty accomplishing their mission even in the short term.

Peacetime requirements for military community support are currently inadequate to provide the level of quality of life support expected and deserved by our soldiers. This condition is currently alleviated in part thru detailing soldiers from MTOE to take up the slack. This compounds the problem of training and readiness. USAREUR currently utilizes in excess of 50,000 civilians and will need more if this condition is to improve.

In short, USAREUR has been subject to numerous studies, had cuts levied it could ill afford to absorb, and is heavily reliant on reserve components for mobilization and host nation support.

Senator **Nunn.** Do you feel that additional support units should be added to Europe, including a possible reactivation of Reserve support units which would then be filled by active-duty military personnel?

Mr. Clark. I agree with Army leadership that additional logistics support units, manned by active duty military personnel, should be stationed in Europe. One of USAREUR's most urgent combat needs is to obtain the support force structure required to sustain the ten division D-Day force. The support of NATO is heavily dependent on Host Nation Support (HNS) and Reserve Component (RC) support units. Approximately 67 percent of the Army's tactical support units are in the RC. For some critical logistics functions (petroleum, maintenance, supply), over [deleted] of the D+30 support force capability is in the RC. Over two-thirds of our US ammunition and transportation capability is in the RC. Many of the RC units are short people, equipment, or both. A recent analysis of our NATO support requirements and capabilities disclosed that this heavy reliance on the RC is a [deleted]. Even with our initiatives to offset early NATO support requirements with HNS and POMCUS (Prepositioning of Materiel Configured to Unit Sets), there is still a [deleted] D-Day support force capability shortfall. Forward stationing the following additional active support units at ALO-2 would begin to address this shortfall:

Type Unit	Manpower Spaces	TOA (–MCA)[1]	MCA(millions)[2]
[Deleted.] ea POL trk co's	[Deleted.]	28,664	$19.9
[Deleted.] ea ammo co's		44,238	25.7
[Deleted.] ea hvy trk co's		19,144	13.2
[Deleted.] ea sup and svc co		12,552	10.0
[Deleted.] ea non-div maint co (DS)		13,235	11.8
[Deleted.] ea POL supply co's		29,494	9.9
[Deleted.] ea hvy at supply co's		20,760	10.3
[Deleted.] ea mdm trk co's		32,310	7.1
Total		200,397	107.9

[1] Based on current year dollars and reflects the annual cost in thousands of dollars to include non-recurring costs.

[2] Estimated MCA costs. In addition, the family housing program would have to be increased by approximately $9,300,000 per year to provide leased housing for eligible soldiers.

Resources have been programed to forward station [deleted] POL truck company, the ammunition companies, the supply & service company and the maintenance company. Resources to forward station the [deleted] POL truck company, and the [deleted] heavy truck companies are currently competing with other high priority requirements in the Army's fiscal years 1983–1987 POM development. Within current projected resources, the fulfillment of the other shortfall requirements will still be dependent on reinforcement units from CONUS.

ARMY MANPOWER UNITS INADEQUATE?

Senator NUNN. Do you agree that the authorized level of Army manpower in units is inadequate? By how much?

Mr. CLARK. I agree that unit manning in U.S. Army Europe (USAREUR) is lower than what the Army would ideally like to have. In order to bring USAREUR's strength to projected M-Day levels, the Army would have to be authorized an increase in military end strength on the order of 46,000 in the steady state. Of this, 20,000 would be added to USAREUR units, another 20,000 in like skills added to the CONUS structure to preclude unacceptably short turn-around times between repetitive overseas assignments and 6,000 or so personnel would be in training, transit, hospitals, etc. in order to maintain appropriate levels of fill. The net result is that an increase in authorized strength of this magnitude is that an increase in authorized strength on this magnitude in not now possible.

Senator NUNN. Mr. Clark, do you agree that the use of civilians and contractors in Europe who would presumably be evacuated in an emergency is unwise and that those civilians should now be replaced by active-duty military personnel?

Mr. CLARK. Currently Europe's budgeted civilian end strength for fiscal year 1981 is 58,000 and for fiscal year 1982 64,500 as adjusted by the fiscal year 1981 supplement and fiscal year 1982 amendment. Precise figures for the number of contractor personnel and Defense Logistic Agency and Troop Support Agency personnel supporting Europe is not available.

Ideally it would be advantageous to replace these civilian personnel with active duty military personnel. Realistically, however, we must consider several factors before any specific figure for active duty military personnel could be determined. For example, many contractor skills can not readily be replaced; how much additional manpower can we reasonably expect to obtain from the recruiting base under existing conditions? What would be the cost of construction? Currently we have had to defer force structure initiatives due to the lack of facilities. What additional support might we expect to receive from FRG?

Further complicating the issue is on-going studies to recommend legislative changes addressing the civilian evacuation issue.

Until we have had the opportunity to research these questions thoroughly, any attempt to be specific on this issue would be premature.

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

DOD REPORT

Senator LEVIN. Mr. Clark, on December 31, 1980. DOD published a report entitled, "Implementation of New Armed Services Vocational Aptitude Battery and Actions to Improve the Enlistment Standards Process." Is it not true that according to this study category IV high-school graduates compare closely with category III(a) and (b) high-school graduates in four of the five rating categories—attrition rates from skill training, first-term attrition rates, rates of eligibility to re-enlist and promotion rates?

Mr. CLARK. The study indicates that category IV high school graduates compare closely, although in most cases worse than Categories IIIA and IIIB high school graduates. However, in skill training, the rate is considerably higher for some of the more complex skills. An example is the Multichannel Communications Equipment Operator course where category IV attrition was 21.7 percent compared to 15.2 percent for category IIIB and 9.9 percent for category IIIA. It must be remembered that small percentage differences when multiplied by several thousand people become relatively large numbers. The loss of one first-term soldier costs about ten thousand dollars. This does not include basic pay and allowances.

Senator Levin. Mr. Clark, is it also true that only in Skill Qualification Test rates did category IV high-school graduates fall below category III (a) and (b) high-school graduates? The results of this test could be read in several ways, couldn't they? What measurement of an individual's overall ability as a soldier are the Skill Qualification tests? Would you say that any of the above screens is more effective in terms of judging the quality of military personnel than any other?

Mr. Clark. Category IV high school graduates also fell behind category III (A) high school diploma graduates in promotion rates for personnel with 3 or more years of service. The Skill Qualification Test is a measure of a soldier's ability to perform a selected sample of critical tasks taken from the Soldier's Manual for the particular MOS. SQT also measures the effectiveness of individual training programs and, to some degree, the individual's ability to retain proficiency and knowledge after the training is completed. The retention factor, however, has not been sufficiently isolated in the SQT to draw conclusions. A project is underway now to relate on the job performance to entry criteria. Once this long range study is completed, the Army will be in a better position to judge which of our screens and indicators are the most effective.

Senator Levin. Mr. Clark, in the hearing you stated that the Army didn't participate in this study. Didn't the Army cooperate by providing statistics? Did you mean to imply that the Army disagrees with either the findings or the methods used in this report? If so, with which do you disagree, and why?

Mr. Clark. The majority of statistics came from the Defense Manpower Data Center. We have no reason to doubt the findings of the report. However, it is limited to 34 selected skills.

Senator Levin. Mr. Clark, is it true that the combined effect of an expected improvement in the economy, if you believe the new administration's estimates the continuing decline in the youth population, and the increased Army accession requirements as we fill out the force structure in all probability will be aggravated by the congressionally-imposed statutory constraints on recruits scoring in Aptitude Test Category IV and therefore cause significant shortfalls in Army recruiting totals and force a premature return to the draft?

Mr. Clark. We think we should strive to recruit the best Army possible and will need continued resource support from Congress to do so. I do not believe however, a law is needed to fix the categories of enlistments. With congressional support for such items the GI bill, expansion of enlistment bonuses, increased civilian end strength, competitive compensation, and modernization of the recruiting force, I see no need to consider returning a draft at this time.

Senator Levin. Mr. Clark, is it true that these limits hamper the flexibility of each service to adjust to changes in manpower needs as well as changes in the labor market? Could this ultimately have a negative effect on our national security if any of the services were unable to make needed adjustments to these conditions because of these statutory limits?

Mr. Clark. I do not believe we should have a law which fixes the percentage of enlistees by category. We want to recruit the best Army possible and will need continued Congressional support for programs and resources to do so. This is the manner in which the Department and the Congress should insure no negative effect on national security.

Senator Levin. Mr. Clark, do these statutory limits place undue emphasis on the importance of the use of pre-enlistment tests as a useful means to control the quality of military manpower: Since these enlistment screens are only the first of a series of tests or screens which must be passed for individuals to enlist, complete training and remain in the Army or any service, aren't these other screens much better methods of controlling the quality of the personnel in our armed forces?

Mr. Clark. The high school diploma and the various scores on the ASVAB are the only pre-enlistment screens that we currently have. As has been reported to Congress, the Army is conducting a long range study to come up with methods to better predict success in training and on the job. We must remember that the other screens cannot be applied prior to entry on active duty. Losses after enlistment are necessary but are expensive and detract from cohesiveness and stability.

Senator Levin. Mr. Clark, would the Army agree that these restrictions should be lifted or modified? If modified, how?

Mr. Clark. I do not believe we should have a law which fixes the percentage of enlistees by category.

Senator Levin. General Yerks, I believe you stated that the Army has statistics demonstrating that category IV soldiers have more discipline problems than soldiers who are in the other aptitude categories. Provide these statistics by aptitude category.

Are these problems associated with their first few months in the service?

Could some of the discipline and first-term attrition problems the Army has related to the length of Army basic training, which is currently 7 weeks, versus 12 weeks for the Marine Corps? If so, will the one additional week you are implementing improve this, and why?

General **Yerks.** The statistics that Mr. Clark has provided for the record show that category IV soldiers do have slightly more disciplinary problems than other high school diploma graduate soldiers of higher test categories. These problems are not necessarily limited to their first few months in the service but many do occur then, particularly during initial entry training.

General Meyer has previously spoken of this seven week period as inadequate to properly soldierize an individual entering the Army. Seven weeks is not enough time for the drill sergeants to teach the kind of things new soldiers will have to remember for the rest of their service. In 7 weeks the new soldier just cannot absorb the discipline, physical conditioning and military skills necessary to join a unit where the emphasis will be on learning unit skills. As General Meyer has said, the 1 week that is being added will be a great improvement but we believe more will be needed.

Senator **Jepsen.** Gentlemen, I want to thank you for making your presence here today. Your testimony has been very helpful. The meeting is now adjourned.

[Whereupon, at 11:05 a.m., the subcommittee was adjourned, subject to the call of the Chair.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

TUESDAY, MARCH 3, 1981

U.S. SENATE,
SUBCOMMITTEE ON MANPOWER AND PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

AIR FORCE MANPOWER REQUEST

The subcommittee met, in open session, pursuant to notice, at 2:10 p.m., in room 224, Russell Senate Office Building, Hon. Roger W. Jepsen, chairman, presiding.

Present: Senators Jepsen, Exon and Denton.

Staff present: Paul C. Besozzi, counsel; Anthony J. Principi, George F. Travers, professional staff members; Richard D. Finn Jr., research assistant; Jacquie S. O'Grady, clerical assistant.

Also Present: Jim Dykstra, assistant to Senator Cohen; Hermann Pirchner, assistant to Senator Jepsen; Bill Furniss, assistant to Senator Quayle; J[illegible] A. Schreiber, Paul Schreiber and Edward L. Beach, assistants to Senator Denton; Robert Nichols, assistant to Senator Jackson; Greg Pallas, assistant to Senator Exon.

OPENING STATEMENT BY SENATOR ROGER W. JEPSEN, CHAIRMAN

Senator JEPSEN. The subcommittee hearing will come to order. The Manpower and Personnel Subcommittee meets today to continue its series of hearings on the Defense Department manpower requests for fiscal year 1981 supplemental and the fiscal year 1982 authorization.

Today we are pleased to receive the testimony on Air Force manpower from Acting Assistant Secretary of the Air Force Joe Meis and Lt. Gen. Andrew Iosue, Deputy Chief of Staff for Manpower and Personnel. We also welcome the testimony of Maj. Gen. Richard Bodycombe, Chief of the Air Force Reserve, and the Deputy Director of the Air National Guard, Brig. Gen. John Conaway.

The Air Force has experienced the least difficulty among all the services in meeting its recruitment, retention and quality requirements. Since fiscal year 1979, the first year in which the Air Force failed to meet its All-Volunteer Force goals, its manpower trends seem to have recovered and stabilized. Despite these recent encouraging results I know that the Air Force shares my caution in assessing the long-term health of its manpower force.

The disappointing retention rates in fiscal year 1979, especially among skilled personnel, will continue to cause problems in the future. Only consistent improvements over several years can compensate for these losses.

The significant shortfall among Air Force technical skill remains in the engineering and scientific fields. The service achieved only 58 percent of its recruiting objective for engineers in fiscal year 1979 and even worse, only 39 percent in fiscal year 1980. Because Air Force engineer requirements are expected to greatly increase through the current decade, we simply cannot afford to put off any longer action that would encourage more engineers to join the Air Force.

Shortages in other technical skills also hamper the Air Force's ability to perform its mission. Like all the services the Air Force continues to experience difficulties in recruiting and retaining physicians. In addition severe shortages exist in the enlisted supervisory ranks in such technical skills as avionics, aircraft systems maintenance and communications intelligence.

All of these statements are based on information we have. I would be pleased to be corrected if they are wrong. I am sure that today's witnesses will want to explain to the subcommittee what the Air Force believes is the best response for these and other problems.

As we told the Army last week, this subcommittee is eager to provide the services with the tools necessary to build a better military. We are on your side, believe me. And we are interested and anxious to work together in a total force concept, in a total career concept to resolve the manpower and personnel problems that we have.

I had the good fortune this morning to accompany other members of the Armed Services Committee to have breakfast with the Secretary of Defense. I can reassure you that on all levels manpower and personnel problems are at the top of the list by way of redressing and correction.

So with that as a foundation and opening remarks, welcome. We appreciate your help and look forward to working with you and welcome your frank and candid testimony.

Mr. Meis, you may proceed.

STATEMENT OF JOE F. MEIS, ACTING ASSISTANT SECRETARY OF THE AIR FORCE, MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS

Mr. Meis. Thank you very much for your opening and very kind remarks. And also let me assure the subcommittee that we freely acknowledge the support we have always received from this committee to assist us with our personnel and manpower problems.

I appreciate this opportunity to appear before you to discuss manpower and personnel issues of the U.S. Air Force for fiscal year 1982. With your permission I would like to present a broad overview of the program and then have General Iosue cover in more detail the Active Force program to be followed by the remarks of Generals Bodycombe and Conaway regarding the Reserve Forces.

By now you have heard our Secretary and Chief of Staff present their views with respect to the overall readiness status of the U.S. Air Force. Clearly, improving our state of readiness is mandated as one of the highest priorities for the 1980's and beyond. Readiness begins with people.

So today it will be our purpose to present the personnel and manpower aspects of that readiness equation. It is our responsibility to provide the manpower in adequate numbers and skills to insure the air power necessary to the security of this Nation.

To successfully fulfill this duty we need the means to attract, train and retain the right people in an All Volunteer Force environment. Readiness requires that each person in the military be mentally and physically fit, disciplined, obedient, responsive, technically qualified and available. Yes, a big order indeed, but we believe one that can be achieved if we maintain the momentum of improvements begun last year and pursue some new initiatives.

INCREASED PAY AND COMPENSATION HELP RETENTION

The pay and compensation improvements of 1980, for which we thank the Congress, did much to reverse the worst retention experience in recent Air Force history. At this point we are cautiously optimistic over the improved retention experienced in the last few months.

But to insure the permanency of this trend more needs to be done. Restoration of true pay comparability is most important, but in my judgment does not stand alone. There are other areas of great importance such as educational incentives, quality of life considerations, medical care for dependents and, last but not least, restoration of the military profession once again to a place of honor in our society, a position which was largely eroded by the climate of opinion that prevailed following the Vietnam war.

Let me now turn to Air Force manpower requirements for 1982. We will continue the modest increases in active military manpower that we began in 1981 after 12 consecutive years of manpower reductions. The nominal 5,000 increase in active military manpower is required to support the continued modernization of our general purpose forces, introduction to new weapon systems and support of space programs. Increases in the Reserve Forces are a result of continued force modernization and the achievement of higher manning levels.

The civilian manpower program, approximately 22 percent of our total work force, represents an important element of the Air Force's ability to support and sustain its wartime capabilities. The fiscal year 1982 net increase of 3,600 which is the first since 1967, is attributable to increased workloads at our logistics depots, increased technician requirements to support modernization of the Air Reserve Forces, conversion of non-military essential positions to civilians, increases to offset reduced employment levels in 1981 and various other programmatic adjustments.

CRITICAL ENGINEERS AND PHYSICIANS

We expect that these modest increases can be met through an aggressive recruiting program and continued improvement in our retention. In the officer category we have met our recruiting goals except for physicians and engineers. We currently have a shortage of approximately 1,100 engineers and 100 physicians.

The shortage of engineers will become even more acute as we enter the era of the MX, the Space Shuttle and Consolidated Space Operation Center. The demand for engineers is rising in both civilian industry and the military. Competition is tough and the higher starting salaries in the private sector, namely, $19,000 to $22,000 per year, compared to the salary of a second lieutenant of $15,040, do not help our cause.

In addition, the retention of aviators continues to be a matter of real concern. Consequently increased undergraduate flying training rates as well as added incentive pays are necessary to arrest the decline in our rated inventories.

In the enlisted category, the Air Force met its recruiting objective in 1980 after experiencing a shortfall in 1979 for the first time in its history. In 1981, it appears that our goal of 82,200 accessions will be met.

Earlier, I alluded to the need for added incentives to insure a healthy recruiting and retention atmosphere. I would like to expand on my remarks in just two or three areas. First, pay comparability: there is no doubt that the alarming exodus of experienced officers and enlisted personnel in recent years can be traced to the degradation in military pay and compensation that has occurred since the early 1970's.

The October 1980 11.7-percent pay raise along with the Nunn-Warner amendment and other elements of the fair benefits package constituted the most significant pay and compensation improvements in nearly a decade. We must now build on this major achievement by identifying and correcting remaining inadequacies. For example, an additive 5.3-percent pay raise is needed if we are to regain the 1972 comparability level.

GI BILL OF RIGHTS—BENEFITS OF HIGHER EDUCATION

The second most important issue is that of educational opportunities or incentives. In my judgement, the purpose of the educational benefit portion of the GI bill of rights to make service in the U.S. Armed Forces more attractive by extending the benefits of a higher education to qualified and deserving young persons who might otherwise not be able to afford such an education is as valid and justified today as it was when the bill was first enacted by the Congress.

The bill has served its value by helping thousands of people achieve vocational and educational status who might not have attained these levels had they not served their country. The benefits that accrue from this program are not just a military enhancement but a return that accrues to our total society.

PERMANENT CHANGES OF STATION REIMBURSEMENT

I will leave to my military colleagues the opportunity to elaborate on these points as well as discuss other incentives such as PCS reimbursement, special pay, improved medical care, and quality of life items so essential in attracting and maintaining the people necessary for total force readiness.

I would be remiss, however, if I failed to make one point specifically with respect to the elimination of inequities in the permanent change of station reimbursement. In my judgment, increased PCS reimbursements should not be narrowly viewed as a compensation issue but should be viewed as a cost of doing business.

In 1979, the DOD pay study documented that military members accrue over $1 billion annually in out-of-pocket costs in conjunction with Government-directed moves. This disparity is a major irritant and contributes to our retention problem. I strongly endorse correction of this inequity.

While I have only alluded to some of the most significant elements of our request for fiscal year 1982 in this statement, I earnestly solicit your endorsement for the entire fiscal year 1982 program, for I am convinced it represents a sensible approach to attracting and retaining necessary numbers and kinds of people needed to fulfill our national security responsibility.

Generals Iosue, Vojvodich, Bodycombe, Conaway, and Mr. Schittulli are with me to assist the subcommittee, and I trust the members will permit me to call on their detailed experience with respect to some matters you may wish to pursue.

I also have a more detailed statement that I would like to have inserted in the record.

Thank you, sir, for your attention and if I may, I now call on General Iosue.

Senator JEPSEN. Thank you. Your detailed statement will be inserted in the record as if read.

[The prepared statement of Mr. Joe Meis follows:]

PREPARED STATEMENT OF MR. JOE F. MEIS, ACTING ASSISTANT SECRETARY OF THE AIR FORCE (MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS)

I. INTRODUCTION

Mr. Chairman and members of the committee, I appreciate this opportunity to appear before you to discuss manpower and personnel issues of the United States Air Force for fiscal year 1982. What we do today in attracting, training, and retaining skilled personnel will in large measure shape the airpower—and thus our ability to preserve the national security—of the 80's and 90's.

As you are aware, fiscal year 1979 was the worst year in recent history for retention of our skilled personnel. Retention rates improved in 1980, and we hope that trend continues. However, those improved rates have not been tested. In any event, we have experienced losses which will continue to cause problems for years to come. Moreover, our retention rates, although improved, are not high enough to maintain the force of experienced professionals we need to do our mission. Much needs to be done to raise the rates to the required levels and sustain them over time.

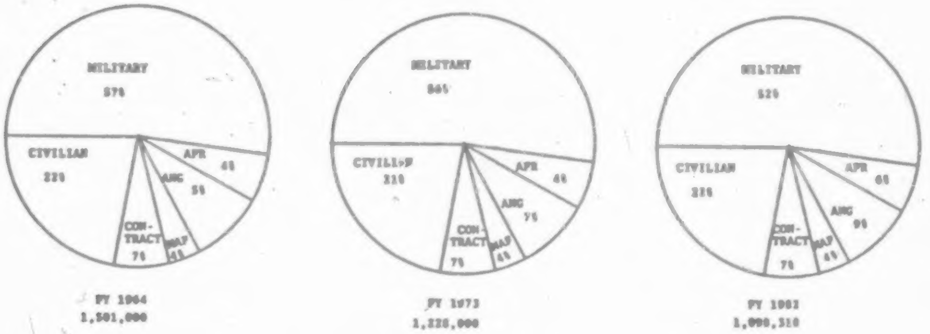
Just as our retention problems were caused by a combination of factors, the recent improvement was the result of several events—primarily the pay and compensation improvements of 1980, for which we thank the Congress, a vigorous retention effort within the Air Force, and a downturn in the economy. Should we fail to continue our efforts in the pay and compensation area, we could easily suffer a reversal and a return to the brink of that cliff we were facing. Accordingly, our top priorities are for compensation-related initiatives—a restoration of military pay comparability, an improved G.I. Bill with retention-enhancing features, more adequate reimbursements for service-directed moves, and improvement of incentive and special pays and allowances—and increases in the active military, reserve, civilian and contract work forces. My statement will go into some detail on each of these items, beginning with our manpower requirements for fiscal year 1982.

II. AIR FORCE MANPOWER REQUIREMENTS FOR FISCAL YEAR 1982

The Air Force's active military, civilian, and reserve manpower requirements represent a balanced personnel mix within the President's Budget for fiscal year 1982.

As shown below, despite a nearly one-third decrease in total end strength compared to the pre-Vietnam era, the mix of Air Force military personnel, civilian employees, and contract workyear equivalents has remained relatively stable. Our consistent, analytical approach to defining our wartime and peacetime manpower requirements contributes to this stability. The mix also reflects an increased reliance on the reserve components as a direct result of the successful implementation of the Total Force policy.

TOTAL MANPOWER RESOURCE AVAILABLE
TO PERFORM AIR FORCE WORKLOADS
(BY CATEGORY)



In fiscal year 1982, we continue the modest increases in active military manpower that we began in fiscal year 1981, the first increase since fiscal year 1968. Our civilian end strength in fiscal year 1982 shows its first slight increase since fiscal year 1967. Manpower for our reserve components continues to grow in fiscal year 1982. The table below compares our manpower program in the fiscal year 1982 budget against assigned strength at the end of fiscal year 1980.

	Fiscal year—		
	1980 actual	1981 estimate	1982 budget request
Active military	757,969	564,500	569,500
Selected Reserve	155,204	158,837	162,265
ANGUS[1]	(96,283)	(98,083)	(98,300)
Drill pay	(94,723)	(94,876)	(94,988)
FTAD[2]	(1,560)	(3,207)	(3,312)
USAFR[1]	(58,921)	(60,754)	(63,965)
Drill pay	(58,379)	(60,056)	(63,264)
FTAD[2]	(542)	(698)	(701)
Civilian	244,344	240,434	243,953

[1] ANGUS/USAFR technicians are also included in civilian totals (29,348 in fiscal year 1982).
[2] Full time active duty.

A. *Active Duty Military.*—The military manpower program included in the President's Budget for fiscal year 1982 reflects a modest (5,000) increase. This increase is required to support the continued modernization of our general purpose forces, introduction of new weapon systems such as the Air Launched Cruise Missile (ALCM), the NATO Airborne Early Warning and Control System (AEW&C), support of space programs such as the Space Transportation System (Space Shuttle), increased cargo handling by our aerial ports as a result of the increased cargo capacity of the stretched C-141, and initiatives to improve the readiness of our force. These increases are partially offset by the conversion of non-military essential positions to civilian.

B. *Civilian.*—The civilian manpower program, approximately 22 percent of our total work force, represents an important element of the Air Force ability to support and sustain its wartime capability. An in-service depot maintenance capability is retained to provide a flexible, productive base, capable of expansion during wartime, to support our fighting force. Also included in Air Force civilian end strenghths are Air Reserve Forces Military Technicians—members of the Air National Guard and the Air Force Reserve—who serve in their units on a full time basis as civilians in peacetime and become active duty military members upon mobilization.

The fiscal year 1981 civilian request in the fiscal year 1982 budget is lower than the fiscal year 1981 budget request due to a Congressional reduction, partially offset by the requirement to reinstate in-service end strenghths for previously programmed contract initiatives that did not materialize, and for unanticipated, short lead time requirements. For fiscal year 1982, the budget represents the first growth in Air Force civilian manpower since fiscal year 1967. The 3,600 net increase is primarily the result of the conversion of non-military essential positions to civilian positions, increased workloads at our depots, increased technician requirements to support modernization of the Air Reserve Forces structure, increase workloads in functions covered by management engineering manpower standards, increases to offset reduced employment levels in fiscal year 1981, and various other programmatic adjustments. These increases are partially offset by planned potential conversions of commercial industrial type activities from in-service to contract performance, pending completion of cost studies to determine the more economical means of accomplishment.

C. *Air Reserve Forces.*—The increased levels in the Air Reserve Forces required in fiscal year 1982 are a result of continued force modernization and improved manning levels. The Air Force continues an aggressive commitment to the Total Force policy.

D. *Contracting.*—Contracting for accomplishment of commercial industrial type work continues as a part of our overall effort to reduce Air Force operating costs. Workloads which a formal review procedure determines do not require either military personnel or in-service civilian personnel are considered for contract performance in accordance with OMB Circular A-76. This review ensures that our combat readiness is not compromised before workloads are programmed in the budget process for an OMB Circular A-76 comparative cost analysis. Such studies are conducted to compare the cost of the most efficient in-house operation with the cost of contracting such services. The decision to perform in-service or by contract if based upon the results of the cost study—the more cost-effective method of performance is selected. The contractor's performance is monitored to insure that we continue to receive the most service for the least dollar.

The results of the fiscal year 1980 program are positive to date. The program has thus far resulted in 72 conversions to contract for more economical performance, at a cost advantage to the government of over $70 million. The strong pressure exerted at command level to ensure the most efficient and cost-effective in-house estimates has resulted in savings of $22 million for those 36 functions which have remained in-house.

In fiscal year 1981 and fiscal year 1982, we will conduct over 300 cost comparison studies involving about 9,000 manpower authorizations. These and subsequent studies will comply with Section 502 of the fiscal year 1981 DOD Authorization Act. Congressional notification of the fiscal year 1981 program was made in December 1980, and we anticipate announcement of the details of the fiscal year 1982 program soon.

E. *End Strength Management.*—I would now like to address an area of force management which requires assistance from the Congress to improve our capability to manage the force. At this time, our active duty military end strength is the only portion of our forces which is controlled by an inflexible, one day ceiling. The Congress has provided the Secretary of Defense the flexibility to exceed the civilian end strength by 2 percent when it is in the national interest. The Air Reserve Forces are authorized as average strengths, which provides flexibility for management of those forces.

The statutory requirement to meet an inflexible active Air Force end strength on one day of the year (30 September) often dictates inefficient management practices, particularly in a period of force growth. There are uncertainties inherent in military personnel management: unpredicted reenlistments and extensions (improved retention) are not always offset by separations and retirements. Also, some personnel on the rolls on 30 September will be off the rolls on the following day due to retirement or separation. With a declining force structure, such as has occurred for the past 12 years, the situation has not been a serious impediment to force management, as early separations and delayed accessions can aid in meeting the following year's lower requirements. However, the situation becomes unrealistic and inefficient with a growing force structure as we have now. Delaying accessions to meet a fixed 30 September end strength may underutilize the training establishment, make it more difficult to reach a higher end strength the following year, and may delay the scheduled fielding and support of new systems with trained personnel. Under some circumstances, the requirement to meet a one-day ceiling could also force the Air Force to separate experienced personnel we need in a growing, modern force.

The Secretary of the Air Force could effectively and efficiently use flexibility in the management of Air Force active end strength, similar to that currently provided the Secretary of Defense for civilian end strength.

III. MILITARY PERSONNEL MANAGEMENT

In this section I will discuss the current recruiting and retention situation; but first, I will address the undergirding compensation factor necessary—restoration of comparability.

A. *Restoration of Military Pay Comparability.*—There is no question that the alarming exodus of experienced mid-career officers and enlisted members from all of the Services that has occurred in the past few years can be directly traced to the degradation in military pay and compensation that has occurred since the early 1970's. The cumulative pay and entitlements initiatives contained in the Nunn-Warner Amendment (Military Personnel and Compensation Amendments of 1980, Public Law 96–343), the fiscal year 1981 DOD Authorization Act (Public Law 96–342), and other elements of the Fair Benefits Package represent the most significant pay improvements in nearly a decade. These improvements have helped, but a single year's initiative is not sufficient to solve all of the military pay inadequacies.

By virtually any measure, the relative attractiveness of military compensation has declined since the advent of the All-Volunteer Force (AVF), even considering the 11.7 percent October 1980 pay increase. Between 1972 (the year that military pay was determined to be reasonably comparable with the private sector) and 1980, military pay has not kept pace with either inflation or private sector pay. The October 1980 pay raise constituted the first real progress toward restoration of pay comparability since the first "pay cap" was imposed in 1975. Even after the October increase, military pay lagged approximately 5.3 percent behind the pay of the "white-collar" civilian-sector survey group to which military pay has been tied for comparability since 1972. The Joint Chiefs of Staff have stated that a long-range and firm commitment to provide the additive funds to close this gap is essential in order to gain a healthy personnel posture in the face of the declining manpower projections in the 1980s. To restore military pay to the relative levels of comparability that were determined to exist in 1972 will require a military pay increase of approximately 5.3 percent across-the-board. This pay raise must be in addition to the full amount of the annual "comparability" increase that corresponds to the wage growth enjoyed by the private sector group to which military pay is linked.

From our perspective, it is vital that we take action in fiscal year 1981—and not wait until 1 October 81—to provide the required additive 5.3 percent military pay raise. While there are positive indications of a retention upturn, I must emphasize that it will take years, not months, of sustained retention growth to replace the mid-career and senior personnel losses already experienced. A serious fallacy of the "wait and see" philosophy is that it fails to recognize that the pay raise process is not intended to set pay just high enough to compete in the marketplace and achieve minimum retention levels. Its proper objective is to provide a stable, predictable compensation system that sustains military pay at levels that are roughly comparable to pay in the private sector for equivalent levels of work and responsibility, thereby attracting and retaining the capable, high quality people needed to ensure success in battle.

For this reason, the full additive increase is necessary for all military people. A raise of this magnitude will simply restore military pay to the levels that the

Gates Commission, DOD, and the Congress concluded were necessary to sustain the AVF. It is significant to note that while a 5.3 percent increase would restore the relationship that existed between military pay and Professional, Administrative, Technical, and Clerical (PATC) workers in 1972, it would not overcome the significant loss in purchasing power—now over 16 percent—that has already impacted on all military people over the same time frame and continues to impinge on their standard of living every day.

While we recognize the need to further increase the pay of careerists, such action must be accomplished by additive increases and not at the expense of more junior personnel. If first term personnel aren't provided a reasonable standard of living, they won't choose to become careerists, producing additive recruiting and morale problems that ultimately would impact upon readiness and mission accomplishment.

B. *Officer Recruiting.*—The Air Force has again been able to achieve its officer recruiting goals except for physicians and engineers. Engineering disciplines will continue to be a tough recruiting area with demand rising in both civilian industry and the military. Air Force engineer requirements are expected to substantially increase through the 1980s as we add programs such as the M-X missile deployment, the Global Positioning System, and the Consolidated Space Operations Center. Starting salaries for engineers/scientists in the private sector ($19,350–$22,300) are significantly higher than the starting salary of a second lieutenant ($15,400 RMC). This environment has resulted in the Air Force having serious difficulty in the past two years in accessing engineers, achieving only 58 percent of our objective in fiscal year 1979 and 39 percent in fiscal year 1980. More importantly, the force was undermanned 1100 engineers at the end of fiscal year 1980.

To help alleviate this problem, we have increased the number of ROTC scholarships available to engineers and increased the quota for engineers within the Airman Education and Commissioning Program (AECP). Also, since fiscal year 1979, officers with technical degrees have been allowed to participate in an Air Force Institute of Technology program that would permit them to acquire undergraduate degrees in aeronautical, electrical and mechanical engineering. In fiscal year 1982 we plan to maintain that program at 120 entries. While there are many other internal actions that have been undertaken to attract engineers, this will not be enough to meet requirements. The Air Force believes that it is imperative that Congress provide authority to allow us to pay an engineer accession bonus of up to $15,000 for a four year initial tour. This authority would permit our compensation to be competitive with the private sector. We plan to introduce legislation for this initiative during this session of Congress.

Physician recruiting continues to be a significant problem. The Air Force has not achieved its physician recruiting objectives during the All Volunteer Force (AVF). Although the Air Force attained 48 percent of its physician direct recruiting objective in fiscal year 1980, we achieved only 26 percent of our specialty goal. Critical specialities for fiscal year 1981 include general surgery, neurological surgery, orthopedic surgery, and otorhinolaryngology.

We are projecting 103 to 118 volunteer accessions in fiscal year 1981 toward a recruiting goal of 138 in these critical specialties. We are continuing to pursue initiatives to improve physician volunteer accessions. For instance, the Physician Applicant Travel (PAT) program, which was expanded in fiscal year 1980 to include spouses, provides a visit to the applicant's prospective base of assignment for an executive orientation prior to commitment. The acceptance rate is 33 percent when the spouse does not accompany and 84 percent when the spouse accompanies the applicant. Another initiative, the Medical Recruiter Assistance Program (MEDRAP), permits Air Force health professionals to visit schools, conventions, hospitals, and other professional activities to talk directly to potential Air Force physicians.

C. *Enlisted Recruiting.*—Although the Air Force achieved its enlisted recruiting objective in fiscal year 1980, there is a declining number of eligible youth, and the propensity to enlist is still 35 percent below 1975 levels. Out total accession requirements in the 1980s are over 10,000 more per year than the late 1970s. We will need additional resources to achieve these objectives. We believe it is important to note that USAF recruiting advertising costs per enlisted accession in fiscal year 1981 are 51 percent lower than in 1974, the first year of the All Volunteer Force ($109 verses $221).

In fiscal year 1980 our high school diploma graduate rate was 83 percent, down from 92 percent in 1974, and the percent of accessions scoring in the top two Armed Forces Qualification Test (AFQT) categories were at 40 percent, our lowest since

1958. We have implemented a number of initiatives to help us cope with a reduced recruiting market. We have worked hard at lowering first-term attrition which, in turn, reduces the number of recruits we need and increases the number of personnel eligible to enter the career force. For the second year, we are offering enlistment bonuses in four of our most difficult to recruit skills. Restoration of an education incentive similar to the G.I. Bill and strong statements of support for military service from public officials are key elements we would like to see, because we are certain that they would help attract quality recruits to the Air Force.

D. *Officer Retention.*—In fiscal year 1980, junior officer retention improved, compared to our experience in fiscal year 1979, the worst year in recent history. While we are encouraged by this progress, at the same time we are mindful of the fact that the improvement was due to a number of factors, some of which are transitory. There factors include:

(1) Numerous internal initiatives to improve career expectations and the Air Force way of life, as well as to remove irritants wherever possible.

(2) A reduction in civilian job opportunities.

(3) The compensation improvements passed by the 96th Congress and the widespread advanced publicity that preceded them.

(4) A sense of national need, or patriotism, created by the events in Iran and Afghanistan.

The compensation initiatives have caused many officers who might have left the Service to adopt a "wait-and-see" attitude. They are concerned whether the 1980 improvements were only a one-shot, transitory step, or if they will be matched by the other steps necessary to sustain the momentum begun last year and eventually achieve a permanent solution.

While improved junior officer retention helps, it will solve our shortages only if it can be sustained over time. Critical shortages still existed at the end of fiscal year 1980—1,100 pilots, 300 navigators, 1,100 engineers, and 100 physicians. While the recent pay improvements are a strong, positive signal of public awareness of, and support for, the hardships and sacrifices borne by our people, these shortages will only be overcome through a combination of good retention and adequate accessions over the next several years. In the meantime, we have prioritized our manning to assure that mission-essential jobs are filled and readiness is maintained.

Clearly, more must be done to retain highly skilled aircrew personnel. The 25 percent increase in officer and enlisted flight pay provided last year was a significant factor in reducing our aviator losses but more incentive is needed to fully restore retention to satisfactory levels and reduce pilot and navigator shortages. We believe the best long term solution to the aviator problem is to provide an additional 25 percent increase in flight pay. An across-the-board increase will reduce our losses while it also encourages a commitment to a full career in military aviation, which is consistent with the intent of Congress as embodied in the Aviation Career Incentive Act. We have developed a legislative proposal that would provide an additional 25 percent increase—we urge your favorable consideration during this session. In the interim, we are proceeding with plans to implement the aviator bonus authorized by Congress last year. However, Congress did not include any funds for the bonus in the fiscal year 1981 DOD Appropriations Act because DOD and the Services had not devised implementing plans. Service plans are now being finalized. Now, during the pause in airline hiring, we must act to improve aviator incentives and encourage our skilled aircrew members to make a career commitment. Even with the additional 25 percent increase in Aviation Career Incentive Pay (ACIP) and the aviator bonus, we would continue to experience an aviator shortage until about fiscal year 1985.

To complement the actions underway within the Air Force to enhance our ability to recruit engineers and scientists, we also focused considerable attention on retaining the mid-level program directors and managers who are so critical to the success of our technical programs and missions.

Foremost among the management actions that we have implemented is the focus on educational programs for the technical disciplines. In fiscal year 1982 our graduate education program includes an increase from 605 to 700 entries—the vast majority in engineering and technical studies. Additionally, we have programs of continuing education and professional development in both the Air Force Institute of Technology and civilian institutions that provide our engineers and scientists with the ability to stay abreast of the state-of-the-art. These programs, which increase by $1.5 million in fiscal year 1982, are essential if we are to remain competitive with the private sector for our mid-level managers who must be provided with the opportunity to stay current. Finally, the Air Force believes that there is a critical need to establish a continuation pay authority that could be selectively applied to engineering and technical skills if industry demand creates shortages among our highly experienced technical managers that internal retention efforts fail to overcome. This initiative will be included in the legislative proposal for an engineering accession bonus.

Improve retention is another key element in maintaining our physician force. Project Keep Each Eligible Person (KEEP) is an extensive retention program designed to help alleviate physician and other medical officer shortages. This project measures the effectiveness of major command retention programs, identifies irritants, and helps eliminate obstacles that inhibit officers from selecting the USAF Medical Service as a career. Project KEEP is aimed at retaining quality personnel without ignoring selectivity. Public Law 96–284, 28 June 1980, revised special pay provisions for medical officers and provides for a range of special pay from $1,200 to $29,500 annually. Effects of this pay bill on physician recruitment and retention are expected to be positive, but the effects can not yet be quantified.

In additon to recruiting and retention efforts, graduate medical education (GME) provides the major source for physician specialists. Sponsored GME programs contain payback periods dependent on the length and type of training program. Sponsored GME has increased from 443 in fiscal year 1973 to 806 in fiscal year 1980. In addition to sponsored GME, over 700 physicians are pursuing GME in a deferred from active duty status. Upon completion of their deferred training program, their obligation is repaid as a specialist rather than a general medical officer.

E. *Enlisted Retention.*—In the enlisted force we have seen the fiscal year 1980 reenlistment rates and the number of career force entries increase from fiscal year 1979. Still, the increase in retention fell below our fiscal year 1980 goal.

CAREER FORCE ENTRIES

	Fiscal year—			
	1978	1979	1980	1981
Goal	14,543	15,500	17,700	20,470
Attained	12,941	16,834	17,282	
Deviation	−1,602	+1,334	−418	

To compensate for the higher fiscal year 1981 career force entry goal and the low recruiting levels in fiscal year 1977–79, we have programmed an increase in prior service accessions.

In addition to the improved career force entry rate, our second term and career reenlistment rates showed improvement for the first time since fiscal year 1977. Still we did not meet our goals:

REENLISTMENT RATES

[In percent]

	Fiscal year—					
	1977	1978	1979	1980	1980 goal	1981 goal
2d term	75	65	60	63	65	69
Career	97	93	91	92	93	94

In general, enlisted manning in the Air Force is good. However, some important skills have severe manning shortages in the mid-range supervisor grades, including intelligence, avionics, aircraft systems maintenance, mechanical/electrical, and security police. These shortages are due to a variety of factors including changes in force structure, high turnover rates, and significant civilian job opportunities. For example, the starting pay for an airline mechanic is significantly higher than the pay, allowances, Variable Housing Allowance (VHA) and selective reenlistment bonus of an Air Force aircraft maintenance supervisor. While selective reenlistment bonuses are now being paid to skills in each of the above problem areas, any improvements in the economy without parallel improvements in military compensation could cause reenlistment rates to again decline.

F. *G.I. Bill.*—Education and training opportunities have traditionally been a major attraction for young people to enter military service. The decision to replace the Vietnam Era G.I. Bill, for persons entering the service after 1976, with the contributory Veterans Education Assistance Program (VEAP) significantly reduced the attractiveness of military service for many high quality personnel with college or vocational aspirations. While the old G.I. Bill did have a disadvantage in that it encouraged some people to leave the service to take advantage of the educational entitlement, we believe we can overcome this shortcoming in a new G.I. Bill. The Services have developed a joint proposal which will accomplish this through a system of tiered benefits which would increase with additional service, by encouraging in-service use, and by providing for the transferability of unused benefits to spouses and dependents. In addition, since the current 31 December 1989 termination date of the old G.I. Bill works at cross purposes with our retention and compensation efforts, it should be extended immediately.

Properly designed, a new G.I. Bill will open doors to a new recruiting market—the college-bound youth who is willing to defer those plans for a few years to serve his country in return for education benefits. More importantly, by focusing on retention with a second tier of increased benefits and offering transferability to dependents, these goal-oriented people will be encouraged to opt for Service careers.

G. *Permanent Change of Station (PCS) Reimbursements.*—Contributing to our retention dilemma is the lack of adequate reimbursements for personnel required to make a permanent change of station move. In 1979, the OSD pay study documented that military members incur over $1 billion annually (AF portion $280 million) in out-of-pocket costs in conjunction with government directed moves. Despite improvements attributed to the Military Personnel and Compensation Amendments Act of 1980, military members actually lost ground to federal civilian workers. For example, a typical civilian could now receive over $13,000 in travel benefits, while an equivalent military member could receive less than $1,300 for a similar cross country move. This comparison clearly demonstrates our urgent need to enhance permanent change of station reimbursements for military people. It is high time to recognize that adequate PCS reimbursements are properly a cost of doing business that must be borne by the Government and not the member.

H. *Formal Recognition of the Peacetime Medical Benefit Mission.*—Air Force medical activities provide a significant level of health services to the nonactive duty beneficiary population as a highly valued element of the military compensation package.

The medical benefit mission of the military services has not been formally recognized, and consequently the United States Air Force Medical Service has not been formally tasked with that responsibility. Formalizing the peacetime medical responsibility would recognize a comprehensive health benefit as a condition of service to all eligible beneficiaries. This fact was highlighted in the Defense Resource Management Study (Rice Report). The Services can provide more cost-effective health care to dependents and the retiree population in the direct care system than can be provided under CHAMPUS given the required manpower and equipment resources.

I. *New Legislation—Active Duty Military Dependent Dental Care.*—Inclusion of full range of dental care benefits for military dependents is needed if we are to provide a medical benefits package that is on a par with that offered in the civilian sector. A proposal to do this passed the House of Representatives last year but was not enacted. The Senate Armed Services Committee (Subcommittee on Manpower and Personnel) did not report it out of committee, apparently due to concerns that it placed too much emphasis on first termers. In concert with OSD and the other Services, we are developing a revised proposal which should be available for your consideration soon.

J. *New CHAMPUS Legislation—Medical.*—There have been no overall major improvements in medical benefits since 1966. As a result, the Services and the Department of Defense are developing a comprehensive proposal to enhance retention by authorizing additional benefits under CHAMPUS, by reducing and limiting beneficiary liabilities, by increasing the flexibility of program administration, by offering beneficiaries additional health care delivery and financing, and through other improvements. Once the details are finalized and coordination is completed, the proposal will be submitted to the Congress for consideration.

K. *The Air Force Family.*—We have consistently found that an important factor related to retention decisions among Air Force people is family support for an Air Force career. The Air Force is working hard to gain that support.

Meeting family needs, such as child care, education programs, family housing, fair reimbursement of relocation expenses, medical and dental care, spouse and family employment opportunities, and a reasonable standard of living, is necessary if the Air Force is to continue to attract and retain high quality personnel. An important step in this direction was taken in July 1980 with the appointment of an Assistant for Air Force Family Matters (AFFAM) to serve as a focal point for family issues. The purpose of this office is to better define and prioritize overall Air Force family support objectives and to help functional managers plan their programs to meet these objectives. AFFAM hosted an "Air Force Conference on Families" in September 1980, which included delegates from across the Air Force. This conference introduced the AFFAM concept, provided a forum to discuss family needs and concerns, and identified family issues for possible development into new or modified family programs. The conference report will serve as the basis for Air Force family support efforts for the 1980s. The Air Force will continue to take every possible internal action to improve conditions for our families. Congressional support in this area is needed to improve pay comparability, medical/dental services, child and youth care, and the other programs which will assist in retaining our high quality people. The AFFAM concept will help assure that Air Force family needs are articulated and met in the most effective manner.

L. *Undergraduate Flying Training.*—With the long lead time required to produce aviators, it is absolutely essential that the Air Force establish and maintain Undergraduate Flying Training (UFT) production rates which will sustain the rated force. Due to extremely low training rates and sharply increased losses, a serious pilot deficit occurred in fiscal year 1979 and is projected to increase through fiscal year 1983. Even with the improved retention that would result from increased Aviation Career Incentive Pay (ACIP) and the aviator bonus, the UFT rates in the fiscal year 1982 President's Budget (shown below) are necessary to eliminate the rated deficit by the fiscal year 1985 timeframe.

		Fiscal year 1982 President's budget	
	Actual fiscal year 1980	Fiscal year 1981	Fiscal year 1982
Pilot	1,543	1,850	2,000
Navigator	609	650	850

It is also essential that the Air Force receive the funding required for the Next Generation Trainer (NGT), the ongoing effort to replace or modernize our aging T-37 primary trainer aircraft. To do so will prevent the degradation of our pilot training capability in the coming years and insure the continued flow of quality pilots into our rated force.

M. *Skill Training.*—Since the early seventies there has been a reduction in average initial skill course length from 16.8 weeks in 1970 to 11.0 weeks in 1980 and a decline in percentage of the budget dedicated to Program VIII funding from 6 percent to 4 percent. Formal training became less theory oriented. This was considered acceptable, however, because there were highly trained supervisors in the field available to provide the upgrade training required to broaden the scope of the individual's knowledge.

In the past two years several factors dictated a new look at training requirements and capabilities. First, the Air Force experienced a retention decline among second term and career Non-Commissioned Officers (NCOs). Second, the required end strength began to increase after several years of decline, which resulted in a need for more Non-Prior Service (NPS) accessions and an influx of new people from the school to the operating units. Third, in both fiscal year 1979 and fiscal year 1980 there were Congressional budgetary decisions that resulted in a limitation on the number of personnel that could be sent TDY-to-School for advanced training, amounting to a reduction of approximately 4,000 entries into AF skill progression training programs.

The overall result has been an increased training load on operational units and fewer experienced NCOs to conduct the OJT required under our current training philosophy. There are several initiatives underway to resolve those problems. The fiscal year 1982 President's Budget includes an increase of $17 million needed to satisfy increased advanced training.

N. *Overseas Dependents.*—The Air Force is extremely concerned with the Congressionally imposed ceiling on the number of dependents who can accompany their military sponsors overseas. Programmed increases in Air Force strength overseas will require us to take actions to meet the ceiling, that is, to delay dependent travel. This will encourage members to select the shorter, unaccompanied tour. The net effect will be a degradation of readiness due to reduced tenure on-station and increased training demands. It will also cause additional family separations that will disrupt our improving retention trends. We solicit your assistance to eliminate the ceiling.

O. *Equal Opportunity and Treatment (EOT)/Human Relations Education (HRE) Programs.*—Maintaining a viable and progressive equal opportunity and treatment (EOT) program remains essential to effective Air Force management and mission accomplishment. The human relations environment on our installations remains healthy and productive. The number of racial incidents has dropped 61 percent between fiscal year 1974 and fiscal year 1980, and the number of discrimination complaints dropped 70 percent during that same period.

Our recruiting efforts have paid dividends toward meeting our equal opportunity goal to attain racial/ethnic minority end strengths which parallel their representation in the qualified resource. From fiscal year 1975 to the end of fiscal year 1980, enlisted racial/ethnic minority representation has increased from 17.9 percent to 23.8 percent of the active force, and enlisted women have increased from 4.8 percent to 11.3 percent. On the officer side, racial/ethnic minorities are up to 8.5 percent from 3.9 percent in fiscal year 1975, and women officers increased from 4.8 percent to 8.7 percent in the same period.

We have also made strides in career field distribution. The number of enlisted career fields with less than 5 percent minority representation has been reduced from 91 in fiscal year 1972 to only 5 at the end of fiscal year 1979. For women, all officer career fields are now open, and only four combat-related enlisted career fields remain closed. We are continuing our efforts to provide equal opportunity in all aspects of Air Force life.

P. *Drug and Alcohol Abuse Control.*—Drug and alcohol use among 18 to 24 year old civilians appears to have leveled after three years of increases. The most recent National Institute on Drug Abuse survey indicates that 37 percent of the high school class of 1979 used marijuana in the month preceding the survey and that 72 percent had used alcohol.

For fiscal year 1981 we will continue our "no-nonsense" approach to drug abuse. This means prompt command response using discipline, education, and/or rehabilitation based or individual case merits. Alcohol abuse initiatives include destigmatization of alcohol rehabilitation, family assistance efforts and continued emphasis on alcohol deglamorization. Our education programs will be honed so they are more relevant to the roles and responsibilities of our personnel, and particular emphasis will be placed on early identification of personnel with drug/alcohol problems. These efforts will ensure that we minimize the adverse effects of drug/alcohol abuse on mission accomplishment.

Q. *General Officer Reductions.*— The fiscal year 1981 DOD Authorization Act postponed the directed reduction in flag and general officers until October 1, 1981. In a January 1981 memorandum to Senator Tower, the Deputy Secretary of Defense outlined a number of actions, taken and proposed, to satisfy Congressional recommendations for improving the management of this vital resource. It is hoped that these actions will eliminate the requirement for the reduction in October. Such a reduction would have a serious adverse impact on the readiness of the Air Force.

IV. CIVILIAN PERSONNEL MANAGEMENT

To complement our uniformed personnel, Department of the Air Force civilian personnel make many significant contributions to our readiness and other mission capabilities. To manage this viable work force, there are a number of programs and issues that are critical.

A. *Civil Service Reform Act.*— The Air Force's conversion to the provisions of the Civil Service Reform Act (CSRA) has been very successful. Our senior employees have been converted to the Senior Executive Service (SES), Distinguished and Meritorious executives selected, and bonuses paid; a new appraisal system has been established, and supervisors have been trained in its application. The Merit Pay System for GS-13 through 15 supervisory and management employees is under development. In this regard, employees to be covered by merit pay have been identified and the appraisal system for them was implemented on 1 October 1980.

B. *Affirmative Action.*—We are pursuing an aggressive affirmative action program to assure that minorities and women are represented in all occupations and grades commensurate with their availability in the labor market. This program is designed to eliminate the underrepresentation of minority groups and women throughout the civilian work force by using targeted recruitment to locate minorities and women for employment consideration. These requirements are time sensitive and are fully supported by all levels of management, with each level being held accountable for the achievement of affirmative action goals.

C. *Senior Grade Reduction.*—Section 811(a)(2) of the fiscal year 1978 DOD Authorization Act required the equivalent of a 6 percent reduction in civilian high grade positions, GS-13 and above, during fiscal year 1978-80. The fiscal year 1980 DOD Authorization Act extended the reduction time period until September 1981. In the fiscal year 1981 DOD Authorization Act, Congress again delayed the time frame for reduction until September 1982. Since the reduction law was enacted, the Air Force has reduced over 500 high grade positions, or roughly 4 percent. At the same time, the Air Force was staffing high grade positions to cover new/increased mission requirements, such as Congressionally directed civilianization of the Air Force Audit Agency; increased use of civilian physicians and dentists to offset military shortfalls; support positions connected with Foreign Military Sales; and the M-X Weapon System. Further reduction will impair our ability to accomplish mission requirements with needed professional and managerial skills. Complete repeal of Section 811(a)(2) of the fiscal year 1978 DOD Authorization Act is urgently needed in view of the Air Force's increased staffing needs.

D. *Pay Reform.*—The Federal Civilian Compensation Reform Bill before the 96th Congress to revise certain aspects of Federal Compensation Legislation was not enacted. The Air Force still strongly supports the legislative initiative, particularly the reforms associated with blue collar pay. Efforts should therefore continue to get this needed legislation passed during this Congress. The latest Congressional Budget Office estimate regarding cost avoidance for the Air Force over the next five years is $827 million for the major blue collar reforms alone.

V. AIR RESERVE FORCES (ARF)

A. *Air Reserve Forces Recruiting and Retention.*—The Air Reserve Forces continue to have overall success in recruiting. However, the problem of a declining number of enlistment eligible youth and a lower propensity to enlist that affects the active component, has also affected the recruiting market for the ARF and has led to shortages in certain critical skills, in many instances the same skills that are critically manned in the active component. The pool of available prior service personnel in these specific skills is small and will require extra efforts for the ARF to recruit and retain them. The ARF are improving and refining their recruiting activities to concentrate on these critical skills. In order to sustain this effort, full funding of the fiscal year 1982 recruiting and advertising program is essential. The ARF are also working hard at lowering the attrition rate of both first-term and career airmen through institution of a number of policy changes, including improved promotion opportunities and retraining into critical skills. The ARF goal of attaining funding for 100 percent manning of wartime requirements continues to be a high priority.

B. *Air Reserve Forces Incentive Program.*—The Air Reserve Forces Incentive Program, designed to provide enlistment bonus/educational assistance for non-prior service enlistments and bonuses for immediate reenlistments or extensions in units of the ARF, has shown steady progress since its original authorization in fiscal year 1979. The limited funding in fiscal year 1979 and fiscal year 1980 precluded the ARF from utilizing incentives to the full extent necessary to achieve combat ready manning in critical specialty shortages. However, efforts of the Congress to provide increased funding in fiscal year 1981 to support these programs and to extend the authority for payment through fiscal year 1985 will allow the ARF to expand their programs. In addition, the authorization of a affiliation bonus program is expected to draw additional prior service personnel to participate in the ARF.

This combination of non-prior service and prior service incentives will be directed at filling critical skill shortages and will result in increased combat readiness of our Air Reserve Forces.

C. *Air Reserve Forces Technician Program.*—The 95th Congress directed the Army and Air Force Reserve Components to conduct a test and convert a limited number of their technician positions to full-time military status. The test terminated in July 1980 and DOD provided test results on 31 December 1980. The test results demonstrated that adequate numbers of qualified personnel, esspecially in the wage grade aircraft maintenance specialties critical to a flying unit's combat readiness, could not be recruited in a full-time military status. This led to our recommendation against conversion of the technician forces to military status.

Generally, the Air Force supports the current structure of the ARF technician program. However, until the Congress makes its decision on the militarization of this category, the department is recommending that the ARF be allowed to program their individual full time requirements as necessary, to maintain readiness and facilitate conversions to more modern weapon systems.

D. *Special Pay for Medical Officers in the Reserve Components.*—Public Law 96–284 established special pays for active duty medical officers. This is expected to contribute significantly to improved recruitment/retention of these officers. Although Public Law 96–284 established a new concept of special pays for active duty medical officers, it did not include medical officers of the reserve components. Institution of special pays for reserve component medical officers is needed to help reduce critical shortages. The Air Force is currently short 304 medical officers in the reserve components. The lack of a special pay program is considered to be one of the greatest obstacles to the recruitment/retention of these officers. The office of the Secretary of Defense has initiated a legislative proposal to provide special pay for reserve component medical officers. The Air Force supports passage of the proposed legislation.

VI. CONCLUSION

In conclusion, Mr. Chairman and members of the Committee, as we look back at the last decade and its erosion of the value of military compensation, we have seen an exodus of highly skilled, experienced military people. As we look ahead, the challenge of the 1980s will be to provide highly qualified and capable personnel for our nation's military services in the face of increasing competition from industry. If we are to succeed, we must provide the essential compensation and quality of life improvements outlined in this statement. We look forward to the challenge, and with your help and support we will be able to maintain the dedicated, professional force required to perform the Air Force's vital mission. Thank you very much.

STATEMENT OF LT. GEN. ANDREW P. IOSUE, DEPUTY CHIEF OF STAFF, MANPOWER AND PERSONNEL, AIR FORCE

General Iosue. Mr. Chairman, I too appreciate the opportunity to appear before this committee. I do not have a prepared statement but with your permission I would like to show you some viewgraphs portraying the shape of the manpower and personnel program that we have for fiscal year 1982.

~~Before~~ I do that though, I do want to thank the Congress and particularly this committee for the gains made in the pay and compensation area for fiscal 1981 and I will show you the results of those gains as we review our retention picture within the U.S. Air Force.

Fiscal 1982, as mentioned by Mr. Meis, shows nominal growth for both military and civilians, some 5,000 increase for active military forces and 3,600 increase for civilians to support these programs; modernization of our tactical fighter force, introduction of new weapons systems such as the air launched cruise missiles and ground launched cruise missiles and many initiatives are included in this increase to improve readiness.

MANPOWER INADEQUACY

We are concerned, however, about the adequacy of our manpower. We feel that we need an additional 43,000 military and civilian personnel to do our job. These are validated requirements of about 26,000 military and about 17,000 civilians.

Another concern we have is the management of our end-strength ceiling. Unlike the civilian work force where they have flexibility, 2 percent plus or minus from their end-strength, we must hit precisely on the last day of the fiscal year the strength that has been mandated by Congress. It allows us very little flexibility and we believe it is inefficient to work toward that one precise figure. We would like some flexibility, particularly in those years where we have a decrease or increase in our strenghth as we transition from one fiscal year to the next.

As far as recruiting, the bottom line is we are doing very well in recruiting. I will show you some quality indicators that we have in the Air Force. We have achieved our enlisted goals as well as our officer goals.

In fiscal 1982 we will recruit some 81,000 nonprior service enlisted personnel, up from fiscal 1981 by about 4,000. The quality is good by any measurement. We have however missed our engineer goals as well as some of our physican goals. As mentioned previously we are short some 1,100 engineers. We will not get well for the next 2 or 3 years. In fact we could sustain the shortage through the next 5-year period.

As we look at our recruiting picture in the future we are concerned with the declining youth population. We anticipate about a 20-percent increase in the recruitable population of 18- through 21-year-olds.

We are also concerned that this may be a false indication, the improved recruiting climate, because the economy is down. We note that the unemployment rate for teenagers runs about 16 percent. Should there be an improvement in the economy we feel that it is a factor and could affect our recruiting efforts.

To enhance our recruiting picture we may need an educational incentive such as a GI bill. I will talk more about that specifically when I cover retention.

We also feel that we need an accession bonus to offset the difference between the regular military compensation for a 2d lieutenant of $15,000 versus the average salary that an engineer going into industry, this equates to about $20,000 to $22,000 per year.

AIR FORCE STANDARDS HIGHEST WITHIN DOD

As far as the quality of Air Force people is concerned, by any measurement they are good. The mental, moral, and physical standards we have are the highest within the Department of Defense. The percentage of high school graduates has run about 85 percent. We have a very small percentage of Mental Category 4's, about 6 percent, and about 40 percent Mental Category 1's and 2's.

We do screen those individuals as they enter the career force after first term of enlistment. They are screened both in terms of how they perform during their initial term, and what skill level they have attained. Normally they must have the recommendation of their commander.

Our disciplinary rates have been fairly stable over the past 2 or 3 years in terms of court-martials, AWOL's, and drug abuse rates, and we have been able to eliminate nonproductive individuals prior to their entry into the career force.

AIR FORCE SKILLS HAVE COMPARABILITY IN CIVILIAN LIFE

There are some factors here that may affect the quality of individuals in the Air Force. One is that we note there is a decrease in the propensity to serve. We have seen about a 35-percent decrease in that propensity over the last 5 years. There are some pull factors that affect the Air Force, unlike the Army and the Navy, about 65 percent of our skills have comparability in civilian life. There is a draw there for the technicians.

For example we see a problem with the commercial airlines. They are going to have about 50,000 retirements in maintenance personnel in the next 5 years and they are looking toward our line chiefs and other flight line personnel to fill that gap.

The high school diploma rate, although at 85 percent, is down from where it stood in the midseventies at 90 to 91 percent, and again the decline in the youth population will effect our ability to recruit the number necessary to sustain a career force.

We would ask your support and public support for the military in terms of statements that would build up the image of the military, revitalize the image of the military as a profession that is necessary to serve this country, and then provide the adequate resources to attract and retain high quality individuals.

As you are aware throughout the Department of Defense, retention surely has been the most critical problem that we have faced in the last 2 or 3 years. We have seen some improvements. Fiscal 1979 was the worst year. We have seen some improvements for midcareer NCO's, those at the 8- and 10-year point in their careers. We have seen some improvements in careerists beyond their 10-year point. We have seen some slight increase in retention of pilots.

PILOT DRAIN

During the last 2 years, we lost some 6,000 pilots from the U.S. Air Force and trained less than half that number. The reasons for leaving are many. Pay and compensation seem to be one of the dominant factors, as we look at the reasons listed on our surveys. Pay and compensation has helped with the improvements. There are some other factors here, though: The state of the economy, as I have mentioned.

One big factor in our improvement in the retention of pilots has been the airline hiring trend is down considerably over what it was in 1978 and 1979. In 1978, the airlines hired some 4,000 pilots. In 1979, they hired some 3,500 pilots. About 65 percent of those who were hired had previous military experience.

We still have shortages in manpower. We are some 1,100 pilots short. We don't anticipate getting much better than that. We are short some 300 navigators and, as mentioned previously, short some 1,100 engineers.

Adequate pay is certainly a factor and I will cover some factors in the pay and compensation area. The G.I. bill: I think one of the most important features of the G.I. bill would be one that would be tailored toward retention. That is, to provide, after the first term or equal term of service, a delta increase in the entitlement that would motivate an individual to serve for an additional period of time.

TRANSFERABILITY OF ENTITLEMENTS

An additional features of the G.I. bill that would be tailored to assist retention would be a transferability feature perhaps at the 10- or 11-year point where you could transfer any unused entitlements to a spouse or dependents as long as you remained on active duty.

Pay and compensation: The gains have been mentioned. You can see what has happened. We were 18 percent behind the comparability point that dates back to 1972, when the 11.7 percent raise cut that back to about 5 percent. We were 28 percent behind in inflation and now we are down to 16 percent behind.

REALLOCATION AND PAY CAPPING DISINCENTIVE TO SERVICE

We have some concerns about reallocation of pay increases, reallocation from basic pay to perhaps basic allowance for quarters. There have been two occasions in the past where this has happened. We are also concerned about the reallocation of a pay increase where you would take pay from first-termers, for example, and transfer that increase or a portion of that increase to the pay of careerists.

We are concerned about the pay caps, pay caps that affect today GS–15's and above all the way up to the Executive Service Level 5 and affect 08's and above. All are capped at the same pay. With an increase in 1981 of 9 percent for the military, that would affect GS–14's to step 10 and above and all 07's (all brigadiers) and above would earn the same pay. It is a disincentive to serve when you have your pay capped.

Pay compression is a factor. Ten years ago, in 1971, there was a 7-to-1 ratio between the pay of an E9 and the pay of an E1. Today, this ratio is compressed to a point where it is down to 3-to-1.

We are concerned about the out-of-pocket expenses for our people. They are spending somewhere in the neighborhood of $280 million out of their pockets to finance a reassignment move from point A to point B. Some $260 million come out of the pockets of our individuals when they are faced with a permanent change of station.

Current needs are shown here: Comparability for a start, some 5.3 percent; an adjustment of that decompression second; and then reimbursement for moving; lifting of the pay cap ceiling; and an update of special and incentive pays, engineering bonuses, for example.

For skill training, there is an increase in the 1982 budget, a very slight increase. Skill training averaged about 17 weeks in duration back in 1970's. It has been decreased to about 11 weeks now and we would like to see it go back up to approximately 12½ weeks. Why? Because we have had that retention decrease and we find that there are more first termers than careerists now and those individuals who do the training, the experienced personnel, can no longer do that because many of them have left. It has placed a greater load upon our youth so we are asking for a modest increase in our skill training in 1982.

CEILING ON DEPENDENTS OVERSEAS

Some nonbudgetary concerns that we could get some help for: The ceiling on command sponsored dependents overseas. We have a ceiling throughout the DOD of about 325,000. The Air Force share runs about 123,000. We have overseas today about 120,000, but as we look at our force structure in the next couple of years, in the next 3 to 4 years, we see that we will exceed that. It means that individuals will now have to go unaccompanied to normally accompanied tour areas. So we will have individuals in certain skills who face remote tours and now must go to an accompanied tour area and serve as much as 24 months separated from their families.

We are concerned about the trends in general officer reductions. We have until the end of this fiscal year to decrease the number of general officers throughout DOD, a decrease of 46 from 1,119 down to 1,073. The Air Force share of that is 15. That is coupled with a 20 percent decrease that we have seen since Vietnam.

What it does to us is that it serves as a disincentive for good lieutenant colonels and colonels to serve who aspire to become general officers. When they see the opportunity decrease as a result of these reductions, we then see some losses that we can ill afford to have.

Military end strength, I mentioned that.

Reform of our Federal employees compensation, two points there: There are statutory provisions today which force us to pay our blue-collar workers more than comparable workers in the local area.

Comparability of wages: One is that we import wages from a large metropolitan area in certain conditions into a locale where the base is located, and it forces us to pay those wages at a rate of something like 12 percent higher than the local wage.

The other point that I would make here is that we have some longevity step increases, some five step increases versus three steps for comparable wage employees on the outside.

The total force policy, and this is my last chart which will transition into the reserve statements, shows you the percent of the wartime fighting capability that we have in the Air National Guard and Air Force Reserve. We are strong supporters of the total force and we are considered as one force and they play a part in our contingency operations. We had a recent test of the ability of the Reserves to respond and we had 90 percent of the positions filled or 90 percent of those who reported within 24 hours.

You see the large percentage we have: Fighter-interceptor and tanker-cargo and tactical airlift. Readiness high: We have some shortages in the communications, electronics, avionics, similar to those on the Active Force. We are concerned about the recruitable population decreasing over the next 2 or 3 years. There are some of the needs they have similar to the needs on the Active Force.

That concludes my briefing I will be happy to answer any questions that you may have.

Mr. Meis. We will proceed with General Bodycombe from the Air Force Reserve.

STATEMENT OF MAJ. GEN. RICHARD BODYCOMBE, CHIEF OF AIR FORCE RESERVE

General Bodycombe. Mr. Chairman, members of the subcommittee, I also appreciate this opportunity to review with you the Air Force Reserve manpower program for fiscal year 1982. With your permission I would like to highlight a few points that I think would be of particular interest to this subcommittee.

I am pleased to report once again that the Air Force Reserve is in the best condition it has experienced in recent years. All units can be mobilized within 24 hours and deployed within 72.

In the 1980 fiscal year we did attain a strength of 58,921, which exceeded our programed strength by almost 700. We do not anticipate any difficulty in reaching the fiscal year 1981 average manning level.

As of December 31, 1980, 33 of our 35 equipped flying units were combat ready, and all 6 of our associate strategic airlift wings were combat ready. Two equipped flying units were in conversion during this period and had not yet attained combat-ready status.

And in response to emergency situations around the world, our reservists enhanced the public image of the peacetime military by saving 116 lives and relieving the plight of hundreds of disaster victims.

In short the Air Force Reserve is fufilling its peacetime mission and is ready to fulfill its wartime mission.

It is within this context that we are requesting an average Selected Reserve strength of 62,800 for fiscal year 1982. This is a 4.7-percent increase over last year's level, which is contained in the President's budget.

RECRUITING OF HIGH SCHOOL GRADUATES

Mr. Chairman, if I may, I would like to elaborate briefly on the important points I have made. Our ability to attract and retain motivated and dedicated young people is reflected, we feel, in the gain of 2,260 people last year, a 4-percent gain. Furthermore, 89 percent of all nonprior service enlistments in our force were high school graduates.

The recruiting of qualified people in the critical skills area, as was mentioned, will be difficult. We would like to expand our present incentive program into one that better recognizes the realities of recruiting and retaining these highly skilled people.

The 1981 funds appropriated by Congress for this purpose will allow us to improve our operational efficiency. The 1981 appropriation of $2.4 million for enlistment/reenlistment bonuses will, for the first time, have a very meaningful effect on the recruiting and retention also; the new affiliation bonus is a tool that has long been needed by the Air Force Reserve.

With these resources we hope to be able to enlist and retain prior service people who have already received extensive training and experience in the critical skills that our units require.

During the latter part of June 1980, as General Iosue mentioned, the Air Force Reserve completed the largest readiness training exercise it has ever conducted. Known as Redoubt 1980 it provided our units an opportunity to demonstrate readiness enhancement through realistic training. In response to the congressional and DOD guidance we did test and we did improve mobilization and deployment capabilities. Equally important, this exercise enhanced our units' confidence and morale as well as our force capabilities.

DEPLETION OF TECHNICIANS TO FULL-TIME MILITARY STATUS

I would like to express my concern about the adverse effect the conversion of our Air Reserve technician positions to full-time military billets could have on the outstanding record of our force. As directed by the 96th Congress we did terminate our military test on June 30.

During the test, which began in September of 1979, we filled 140 of the 229 positions we were tasked to convert, a figure of 62 percent. We were able to fill 92 of the 165 wage-grade positions for a 56-percent record and 48 of the 64 general schedule positions for a 75-percent total.

Unfortunately the Air Force Reserve considers this test to have been a failure. We were not able to attract sufficient numbers of personnel in a full-time military status, especially in the highly technical aircraft maintenance specialties which are so very critical to the combat readiness of the flying units.

The test also impaired our technician recruiting and retention efforts because it cast an aura of uncertainty about the future of our technician program which had been created by the test. As a result the day-to-day management and operation of the Air Force Reserve unit program has been strained and we now need time to recover.

The Air Force Reserve is strongly opposed to any militarization of our technician force. We have reviewed and fully concur with the conclusions and the recommendations of the Department of Defense report which has been submitted to the Congress on the technician conversion test. Our present technician program is the most effective and economical method we have found to provide full-time support for our units.

The Air Force Reserve will need its civilian strength ceiling increased to accommodate the restoration of these authorizations in place of military. Important new equipment conversions coming soon may be delayed while the readiness of our converting units now underway could be also seriously impaired unless we are allowed to replace the necessary full-time manning spaces.

In summary, Mr. Chairman, I have mentioned only two aspects of our program, but I feel that they are representative of the overall excellence of our Air Force Reserve during the past year.

I will close on the same note that I began. The Air Force Reserve is fulfilling its peacetime mission and is fully ready to accomplish its wartime mission. We feel it is a very solid bottom line position in support of our requested programs.

Sir, that concludes my statement. I will be happy to respond to any questions that you may have.

Senator **Jepsen**. General Conaway?

STATEMENT OF BRIG. GEN. JOHN B. CONAWAY, DEPUTY DIRECTOR, AIR NATIONAL GUARD

General CONAWAY. Mr. Chairman and members of the committee, I appreciate the opportunity to briefly highlight the current status of the Air National Guard.

On April 1, I will assume the leadership of the Air National Guard and, with your help, I intend to continue the progress toward our goals of 100 percent wartime unit manning and full combat readiness. The Air National Guard enjoys its high state of readiness today with over 98 percent of our units combat ready, and we currently have a manning level approaching 97,000 men and women. All of our units are mobilizable within 24 hours, deployable within 72 hours.

We also have many units that are members of the Rapid Reactor Force that support NATO, and we are a very large participant in the Rapid Deployment Joint Task Force with five of our major flying units within the Rapid Deployment Force and five of our combat communications units as well.

As you know our Federal mission is to provide combat ready units required by the Air Force and to perform peacetime missions as a byproduct of this training, while our State mission is to protect life and property during national disasters and to preserve peace, order and public safety during periods of civil unrest. The Air National Guard is used extensively here along with the Army National Guard.

CARRYING OUT AIR FORCE MISSIONS

We are today receiving very strong support from the Air Force in the personnel area and in the modernizing of our total Air Force, and we are treated unequivocally as full partners in carrying out Air Force missions and policy. The total force, I am proud to say, is not just a slogan in the Air Force. It is a fact of life and we are a total Air Force.

We are assigned a broad range of active Air Force missions that go beyond the range of pure training. These missions include KC-135 strategic air refueling, the alert we do at 13 locations and the worldwide refueling that supplement the Strategic Air Command; C-130 tactical air lift worldwide rescue and recovery units on each coast; F-106, F-4 and F-101 air defense alert at 13 locations today, increasing by Air Force programs to 15 locations in fiscal 1982; and we currently have C-130 and A-7 rotational support in Panama.

Certainly we obtain valuable training during these missions, but more importantly, the Air Force can benefit because the Air Force can allocate its valuable active resources elsewhere as needed.

Just today at Lechfeld, Germany the first A-10 deployment that the Air National Guard has had since modernizing into the A-10 is taking place with the New York Air National Guard and the "Boys from Syracuse." They deployed nonstop to Lechfeld near Munich where they are undergoing an exercise with our allies and the U.S. Air Force in Europe.

RAPID DEPLOYMENT FORCE OVERSEAS EXERCISE

Just before Christmas we were the first Air Reserve Forces unit to participate in a Rapid Deployment Joint Task Force overseas exercise called Bright Star 81 which took place at Cairo West in Egypt. The New Mexico Air National Guard flew nonstop to Cairo with eight of their A–7's to perform for over 2 weeks there. In addition the majority of the combat communications support for that exercise was provided by the South Carolina and Alabama Air National Guard combat communication units.

I am also proud to say, Mr. Chairman, to you and Senator Exon, that your unit from Des Moines, Iowa, the A–7 unit, I visited a little over a year ago gave a superb performance with their entire unit of A–7's. They were visited by a member of Parliament, Mr. John Wilkinson, who was very amazed and proud. He was actually amazed to see the combat ready level of a Reserve or Air National Guard unit. He has since been over to visit and is attempting to obtain legislation to have a similar reserve component of the Royal Air Force.

Just last year there was another outstanding performance by the Nebraska Air Guard with their PF–4's in Turkey. These are cases of just 2 of 10 to 12 major deployments that we have annually for our major flying organizations.

We have 91 major flying units and over 1,500 assigned aircraft, over 4,000 pilots and 1,200 navigators. We are currently modernizing as fast as the Air Force is able to modernize us into new equipment by phasing out such things as our C–7's and replacing these with C–130's; phasing out our F–101 interceptors and replacing these with F–4's, some more A–7's, and another A–10 unit that is coming into the Air National Guard.

In the manning area in fiscal 1980 we achieved an end strength of 96,283, the highest level in the history of the Air National Guard and over 2,000 above our forecast end strength. Based on that success, we have revised our program for fiscal 1981 end strength upward to 98,083, an increase of 1,800 over fiscal 1980. Our programed end strength for fiscal year 1982 is currently at 98,300, although we now believe we could achieve and end strength of 99,000 which would support 98 percent of our projected wartime requirements which currently are 101,000.

While we have been successful in overall manning, we do continue to have problems in manning certain critical skills within these units. We are vigorously addressing this problem. General Iosue has established a small ad hoc working group between the Air National Guard and the Air Force to address these critical shortages that he has mentioned. We have come up with several good ideas and hope to implement these.

But bonuses are necessary in these critical skills. For example of our 98,000 personnel, we have almost 31,000 critical skill authorizations in the Air National Guard. Today we are just over 26,000 in the manning levels of these critical skills. We do need to recruit, train and retain as many of these critical skills as we possibly can. In the full-time manning area we have been doing very well with the technician force and the mix of the full-time military manning.

The one-for-two hiring freeze slowed us down somewhat in the modernization and combat ready levels of some of our units. The total hiring freeze would have hurt us immensely if it would have lasted much longer. We are thankful that it has ended because in April we would have seen impacts within our combat ready units.

But we are now, for the first time in a year and a half, hopefully able to exercise our program as it has been budgeted. This includes almost 22,000 military technicians, as well as almost 2,200 fulltime military manned positions. Some of those were part of the test. We were able to successfully man those within the test and we support the Air Force and the Department of Defense position on the full-time military manning, which is to let us continue to execute the fiscal year 1981 program, with the mix of technicians and military as it has been approved, and for us to work the future mix of technician and military manning within the programing and budgeting cycle as we may work it within the Air Force.

Sir, the Air National Guard is proud of its combat readiness and its role in today's total Air Force, and we appreciate the support of this committee and your continued support and look forward to the greater challenges that face our total Air Force.

Senator JEPSEN. Thank you, General Conaway.

Do you have anything further, Mr. Meis?

Mr. MEIS. No, sir.

Senator JEPSEN. Could you place the priority for these compensation related initiatives that you feel are most important for retention? You mentioned a number of items. Could you list for me in order of priority what you think is necessary for retention?

General IOSUE. I think first and foremost we need comparability. We have had three pay caps and two reallocation efforts on pay since 1972. And it has caused us to lag behind the comparability index that was established at that time. First and foremost we need that 5.3 percent which will attain that comparability.

The second priority would be an effort to decrease the compression that we have experienced in the last 10 years where we have a plateau of pay for the careerist, for the senior enlisted personnel. As I mentioned it was a 7-to-1 ratio between E9s and E1s. It is now down to 3-to-1 ratio. The reason I list that as second, I believe it would provide an incentive for those to continue, particularly from the first term of enlistment up until where they would reenlist into their second and third terms of enlistment.

Our third priority would be to provide some relief for the out-of-pocket expenses for those personnel who are directed to move from one point to another point. As I mentioned it is something like $280 million expended out of the pocket. We need some per diem increases. We need some travel increases. We need some temporary lodging allowances. We need house-hunting trips, things of that nature to relieve the financial burden placed upon our people when they are called to move.

HIGHER HAZARDOUS DUTY AND AIR CREW INCENTIVES

Finally I would add that we do need some increases in hazardous duty pay and air crew incentive pay. As you know, we did receive a 25 percent increase. We did ask for 50 percent. I believe we do need another 25 percent increase in air crew incentive pay to retain those critical personnel, both officers and airmen who are serving in air crew duties.

Mr. MEIS. Sir, I would certainly endorse that.

BETTER MEDICAL AND HOUSING FOR DEPENDENTS

I might add one or two observations and that is there is another important consideration, that of adequate medical care for dependents. Another one, wearing perhaps my installation hat rather than my personnel and manpower hat, although they are directly related, is also that of adequate housing for our people. By that I mean both for married people, the family housing, particularly in overseas areas, as well as the need to upgrade some of our dormitories at our military installations, both overseas and in the United States.

I believe both of those actions would do much to enhance the attractiveness of military services and would be very beneficial.

Senator **JEPSEN**. If I might feed this back now, on this comparability pay, in other words it is the pay as compared to outside civilian work force?

General **IOSUE**. Yes, it is linked to the civilian work force.

Senator **JEPSEN**. And then the compression is the name given to this?

General **IOSUE**. Where you have a compression you don't have a delta, and adequate delta between chief master sergeant and airman basic.

Senator **JEPSEN**. It used to be 1 at the private level and 9 on the master sergeant or whatever you call it. I hesitate to use numbers for people.

Moving expenses when you are required to move, increasing hazardous duty pay, medical care for dependents: do you have any specific medical care in mind or anything more specific than that?

Mr. **MEIS**. One that is being used as an example, a part of the CHAMPUS program, is the dental care for our military members, for the dependents.

Senator **JEPSEN**. General Iosue, going back to this compression in earlier remarks by Mr. Meis I believe, you had recommended 5.3 percent pay increase, which brought it to the comparable level. Now should that 5.3 be spread out on this compression basis or should that be given across the board?

General **IOSUE**. I would recommend across the board. The reason I say that is because I don't want the junior enlisted to bear the brunt of relieving compression. I think they would view it as that and I believe it would cause a morale problem. They are entitled to the comparability increase as well as our senior enlisted personnel. So I would say that we should gain comparability and it should be spread across the board.

The next step would be to relieve that compression by increases in pay for senior enlisted personnel.

Senator **JEPSEN**. What are the best indicators of anyone that the potential recruit will successfully complete his or her enlistment? Do you have any tests or criteria?

General **IOSUE**. Yes. Experience tells us that since 1973, when we entered the volunteer force, through those years we have been able to build up an experience level which indicates that the one who is most likely to complete a tour of enlistment is a high school diploma graduate. That is why we place a great deal of emphasis in the Air Force on recruiting the highest percentage of high school diploma graduates.

As I mentioned, that figure was up around 90 percent during the mid-1970's. It did decrease as low as 83 percent in 1979 when we had our most difficult year, but it has come back slightly in fiscal 1980. It continues to remain at about 85 percent in fiscal 1981. But I would think one single indicator I would use is high school diploma graduate.

Senator Jepsen. This will be my last question, Senator Exon. Then I will come to you.

You stated that you are having difficulty recruiting engineers, achieving only 39 percent of your objective for fiscal 1980. What percentage of your Air Force Academy graduates go into the engineering field?

General Iosue. The Air Force Academy traditionally has produced and the intent of the Air Force Academy is to produce combat leaders, and we believe that. A very small percentage have entered engineering duties. I believe 5 years ago, probably out of a class of some 1,000 graduating from the Academy, about 50 went into engineering duties.

AIR FORCE ACADEMY TRAINING FOR ENGINEERS

Realizing the difficulty in meeting our requirements, we did send teams out to the Academy in an effort to motivate them to select the technical and engineering fields, and we have been able to increase that to about 75 Academy grads who go directly into engineering duties.

Senator Jepsen. Have you ever considered an involuntary assignment for the Air Force Academy?

General Iosue. Our priorities are first to produce a combat leader, second, to assign Academy grads into combat-related fields and combat-support fields, and third to assign them into the technical fields.

We do have other ways to improve the recruitment of engineers. One is that we have increased the number of ROTC detachments by 12. We are in the process of doing that. We have increased the airman education commissioning program from about 350 to 450 and many of those, in fact most of those will go into technical skills.

ROTC SCHOLARSHIPS FOR ENGINEERING

In addition to that we have increased the number of scholarships for ROTC students from 5,700 up to 6,500, and that increase will be tailored toward the engineering duties. So we do have other ways of doing that.

Academy grads may not go initially into technical and engineering fields but they will after their initial term of assignment. For example, if they are cockpit navigators, pilots, they will after their initial tour go into engineering duties. So we do have a good cross section of officers from all three commissioning sources.

Senator Jepsen. Senator Exon?

Senator Exon. Gentlemen, let me try to put in perspective, I guess, from our standpoint on this side of the desk what we have been hearing recently from various functionaries of the military.

I believe the Air Force today compared with the other services is in relatively good position, but as I take it from my studies which I have made on this, it would appear that you might be facing a rather critical manpower shortage in a couple of years. Is that a fair statement to make generally?

General **Iosue**. Well, we are concerned about the possibliity of a manpower shortage, and it is based upon the fact that we do see a decrease in the number of recruitable enlisted personnel, those 18-year-olds, 19-year-olds who make up the bulk of our recruits. There is a decrease in the propensity to enlist.

But we feel that given adequate resources and given incentives and given the motivation to join the military that we can meet our strength requirements.

Senator **Exon**. General, you and others come over and recommend, and it is your job to recommend to us what you see to fill this need that we evidently are going to have. I have just been trying to run through my mind some kind of totals for costs. That is of some concern in light of our military buildup.

You know, we talk about dental CHAMPUS and I have seen estimates that that would cost us $1 billion just for that one program alone over a 5-year period. We have talked about the compression difficulties that you have which I think is one of the sad things today and probably is causing as much morale problems among the troops as anything else. We talk about the GI bill and as far as I know, the budget that has been recommended to us by outgoing President Carter had nothing in it for that, and I don't know whether the budget that is being recommended by the Department of Defense has anything in that or not. Do you know about that?

General **Iosue**. It does not.

Mr. **Meis**. Let me address the GI bill for just a moment from a services point of view.

The Department of the Army has been designated or is serving as the executive agent to bring together the views of all of the military services. That effort has been ongoing for some time and the services do have a position that we do need some means of providing a meaningful educational opportunity, if you wish, to our military members. We think a form of a GI bill is the way that we ought to go. But at this point it is purely a position of the military services. It has not been staffed by OSD or the administration, and there is nothing in the 1982 program for that particular incentive.

If and when the studies are complete we are hopeful that it would be considered perhaps as a part of the 1983 program, but that decision obviously remains with OSD and the administration.

Senator **Exon**. General, as we talk about the needs, and I emphasize once again that I compliment you for coming over here and laying it on the line to us because there are some of these areas that we will be able to address. But let me, if I can, go back a minute to the overall problem that seems to be confronting us.

I believe that even with the less than ideal circumstances that we have today throughout the Air Force and the rest of our armed services, and what you are presenting to us is a rather critical upcoming situation possibly that we should take some steps to correct, is it not true that the United States of America is paying by far the higher percentage of its defense expenditures than any other country for manpower costs?

PERSONNEL TAKES LARGE SHARE OF TOTAL OUTLAY

General Iosue. I am not sure that is true. I have heard the percentage expressed in terms of 51 to 54 percent of our total outlay goes toward personnel. In the Department of Defense it runs about that percentage. In the Air Force, without the retirees included—we foot their bill—it runs 39 percent. If you include the retirees, it is at 45 percent.

In fact, it has decreased in the last 3 years from the point where it was in excess of 50 percent. So in fiscal 1982, it will represent, with the retirees included, about 45 percent of our outlay that will be spent on personnel.

Senator Exon. General, my question dealt with other countries around the world. I am trying to see, how efficient we are with recruitment, training, and maintenance of the quality people we must have. My question dealt with the fact: Do we not pay out a higher percentage of our total defense budget in manpower than any other country? How effective is our system?

Mr. Meis. I don't think we have that data readily available. We would be happy to try to make a study and get that information and provide it to the committee at some later date.

Senator Exon. Joe, would you have any guesses?

Mr. Meis. I really wouldn't, sir.

[The information follows:]

A recent study of military compensation by the NATO Planning Group showed that the United States spends a smaller proportion of its annual defense budget on military pay and allowances than other NATO countries.

Senator Exon. The thrust of my question was, perhaps, and let me lay it out on the line and get your opinion. We keep talking about what we are going to do and what we have not done. You come over and give us some recommendations for a $15,000 bonus for engineers and, good Lord, I know we need then. We had people sitting at that table last week who suggested we give $10,000 bonuses to specialized recruits in certain specialized areas and that turned out to be combat infantrymen.

DRAFT IN PEACETIME

We start adding up all these and my question is: how much better off would we be today if we had not interrupted our draft in the first instance? Or how much better off would we be today in solving the problems which you are properly addressing here today if we were to return to the draft sometime "like yesterday," in your opinion?

General Iosue. My personal opinion is, I do not favor a return to the draft. The Air Force position is that we do not favor a return to the draft. The draft is not needed in peacetime. If it is determined that a draft is needed to either support peacetime or wartime strength levels and providing we would support it, we would hope that we would be allowed to continue recruiting volunteers. We have done that in the past with the demise of the draft back in 1973. We continued prior to 1973 to 1978 in recruiting volunteers.

The Air Force has never drafted people.

I am afraid that the draft sometimes is looked upon as a panacea in solving the strength problems of the military. Sometimes we must view it as perhaps getting into a revolving door kind of dilemma where we bring them in one door and they leave through another door, and all it does is exacerbate the costs of sustaining the force.

I think if we are trying to decrease the cost of personnel, we need to concentrate mainly on the retention of personnel. That will drive down the numbers that we must recruit each year.

Senator **Exon**. In other words, you do not think the draft is necessary. You do not think if we had not eliminated the draft that we would be any better off today General?

General **Iosue**. I don't think so, sir. I think people would get out for the same reasons. I think it would be very divisive to have a draft. I don't think it would give us any better quality than we have today. I think we do need to provide incentives, not only for recruiting but incentives for retention.

Senator **Exon**. Joe, do you have a feeling on that?

Mr. **Meis**. I agree with General Iosue. From an Air Force point of view we have been able to meet our recruiting goals. We can certainly maintain our strength. The emphasis has to be obviously on retention.

But looking at it from a broader scale and getting back to your comment, restoring a draft situation in today's society would be extremely difficult. It would be controversial, emotional. We know that.

But your question, had we sustained it on a continuing basis, and this is just a personal observation, I don't know that it would result in too much of an improvement from the Air Force point of view in the manner in which we manage our manpower and so on. But having also had some experience in another service and so on, it may be a different story. I don't know.

Senator **Exon**. General Bodycombe, how do you feel about it?

General **Bodycompe**. Sir, we don't believe a draft is necessary. I surely would prefer to have an All-Volunteer Force in the Air Force Reserve. The citizens who come and join our units really want to join, and we have our spaces filled. A drafted young person I don't think would serve our cause.

Senator **Exon**. General Conaway?

General **Conaway**. Sir, obviously we are basically the same. I think that we have survived with an All-Volunteer Force and done well. We did well during the draft era as well. But we do not need a draft to maintain the strength of the Air National Guard. We are not like our counterparts that I sit with in the Army National Guard that may have different problems.

But in my personal opinion, from visiting the various units in the States the propensity to serve the State or Federal Government, has made us a much better country. And personally, while I don't know that we need a draft, I think some propensity for young people to serve this great country of ours in some capacity is important.

Senator **Exon**. If I understood what you said, you are not sure that a draft would be helpful to you in the situation you face, but it might be a good idea if we wanted to develop some patriotism among some of our young people?

General **Conaway**. That is correct, whether it is in the military or some other form of Federal service.

Senator **Exon**. That is all I have right now. I will come back to some more, Mr. Chairman.

Senator **Jepsen**. Thank you, Senator.

WOMEN IN THE AIR FORCE

In the past hearings we have received testimony that the entire issue of women in the military is being re-examined. It is being studied. What is the Air Force position with respect to increasing the number of women in your branch of the service?

General **Iosue**. We have seen some increases over the past 4 or 5 years. Today we have on board some 61,000 women in the U.S. Air Force. They represent about 11 percent of the force. They are serving well, doing well. They are spread across the entire spectrum of specialties within the Air Force. About 40 percent of them are serving in the so-called nontraditional areas. We have only four specialties in which they do not serve and those specialties are covered by the law which prohibits the women from serving in combat and combat-related skills.

As far as the increase is concerned, we are increasing in 1982. We are looking at the classification process to insure that it is correct and we are looking at some of the strength requirements for the specialties in the Air Force to insure that we are placing women in those specialties who can perform all aspects of that job.

But the bottom line is women are doing a tremendous job for the Air Force and we are increasing and we do have a slight increase from 61,000 in 1981 to about 63,000 in fiscal 1982.

Senator **Jepsen**. You do not have then either a growing concern or have experienced any particular problems?

General **Iosue**. We do have concerns as do all of the services within DOD, and the concerns stem from the fact that there are some indicators that perhaps some of our classification processes are not pure. It does need refinement.

There are some concerns about single member parents. We do have some 6,500 single member parents in the Air Force today.

Senator **Jepsen**. How many?

SINGLE MEMBER PARENTS IN THE AIR FORCE

General **Iosue**. There are 6,500 single member parents in the Air Force today, but I must hasten to add that about 4,000 of those are male members who become independent. So we have put a regulation into effect which states that you must be able to handle all aspects of your job, no notice deployments, odd work hours, those kinds of things, and if unable to do so you will be administratively separated from the Air Force.

We do have concern about the married couples with dependents. But these are not insurmountable and I think if we can examine them and show that the women are prepared to do their job in the Air Force, they are very productive and fine, I am content with what they are doing now.

Senator **Jepsen**. General Bodycombe and General Conaway, I would like to go back to the area I explored earlier with Mr. Meis and General Iosue in regard to priority for compensation related initiatives that you feel would be most important for both recruiting and retention. You address them please if you would for your particular branch.

General **Bodycombe**. Yes, sir, Mr. Chairman.

A number of the incentives that General Iosue and the Secretary mentioned have a bearing on reservists. A lot of them don't. Some of the things they mentioned wouldn't apply. There are some that do and of course we appreciate them.

My own personal feelings are we would like to put our efforts on the enlistment and reenlistment aspects of it so we can continue to attract the critical skills and retain the critical skills. The other advantages we would gain from the things that they mentioned, the pay of course, although it is a very small part of it, mathematically computed for the number of days that a reservist serves, the flying pay increase, these would be of a beneficial nature.

There is a reverse, an unusual reversal I might mention that we have some concern over. When the Regular force stabilizes which is surely a desire and I would like to see that happen, then the number of prior service men and women that leave are not available to us to recruit.

In the 4 years that I have been on active duty I have seen a growth in our business from 75 percent prior service to 83 percent, and part of that was this great outflux that you mentioned of prior service people. So we were able to recapture a great number of them so that their skills were not completely lost to this country. We have recaptured them in the Air Guard and Air Force Reserve.

However, if the Regular force stabilizes, it will increase our recruiting workload. We are going to have to go into the communities of our Nation in the 1980's—I can see that. Our recruiters are going to have to start going to the high schools and doing some other things that we, in the Air Force, have not had to do recently. We have gotten maybe a little lazy. We have had our cup pretty full. That is why I would put the emphasis on the enlistment and reenlistment bonuses.

General **Conaway**. Sir, in the Air National Guard, of course, the pay is very important because of the direct spinoff that we get from that. Bonuses we are finding are going to be very important to us. We have only had basically a test in fiscal 1979 and fiscal 1980 of $500,000 in each of those 2 years. Now, in 1981, for the first time, we have a bonus program of approximately $4 million that we are able to apply to enlistment and reenlistment bonuses for critical skills. We are seeing a payoff of this.

AIR NATIONAL GUARD BONUSES

We think that we can use a variable enlistment bonus in the Air National Guard. Now everyone gets the same bonus basically. It is $1,500 for enlistment and $1,800 for reenlistment if you reenlist for 6 years. We need to be able to pay more to induce people into certain critical skills such as our munitions teams and our avionics personnel. This could help us also.

But a very big factor that could help us is to stabilize the current benefits that we have in the Air National Guard as well as the other Reserve components. I am sure you are familiar with the Federal military leave issue that comes up almost annually. These things do hurt retention of our people, the people that work for the Federal Government, the people that work in industry.

LEAVE FOR MILITARY TRAINING

The Federal military leave authorized for our people is granted for them to participate in the Air National Guard and is extremely important. Thanks to Congress, this issue has been put to rest each of the last several years.

Currently, 46 of our States grant 15 days military leave to State employees who belong to the Air National Guard and other Reserve components. Ninety percent of our cities grant military leave and over 200 of our major industries, and I think it is important that this be stabilized and the Government take the lead in issues such as these that are important in our recruiting and retention.

Of course, the military construction program that we address before another committee gives us the training facilities so that people coming from civilian life can train and get up to a high degree of combat readiness. Those facilities are important to quality of life as well.

Thank you.

Senator **Jepsen**. Do you have any rule of thumb to retaining the integrity of your unit? In other words, can the Air Force reach down quickly and pull out individuals from your units? Is that possible as a National Guard unit?

General **Conaway**. In the Air National Guard, of course, there are several ways that they can get to us for the callup. The President now has the 100,000-men callup authority for 90 days. That would be done by units within the Air National Guard. We would be mobilizing by units; for example, the 152d Tac Fighter Squadron and the maintenance squadron to go with it, rather than an individual callup.

Senator **Jepsen**. Can you, in turn, reach into the Reserve and fill up your unit and is that set in the event that you have need?

Mr. **Meis**. Let me address that.

After a mobilization, that is possible. It is a policy, however, of the Air Force to maintain the unit integrity as much as possible. But if there would be a need for certain skills or certain people to bring certain units deployed to a certain location up to a wartime manning level and so on, technically, yes, we could reassign people. But we try to minimize that to the maximum extent possible.

MOBILIZING AIR NATIONAL GUARD FOR COMBAT

Senator **Jepsen**. I know that the esprit de corps in the National Guard, the Air Force units, is usually very high and I think the integrity of the units is very important and it is important for the Army and the other units as far as that goes. We do have one in Iowa. They were mobilized from Sioux City and went to Vietnam. I believe they were working in civilian jobs one day, and 32 hours or 24 hours later, they were flying combat duty. We still talk about that out there.

General **Conaway**. Col. Don Forney in that unit did a superb job.

I was called up at the same time with the Kentucky Air National Guard when we went to Korea and the Air Force mobilized us in a unit capacity. Now, there were some individuals in the combat support arena that support us in peacetime and the Air Force reassigned them where they needed them. But the squadron, flying squadron, the airplanes, and the maintenance squadron went with the unit.

Senator **Jepsen**. I want to talk a little bit about civilian personnel here, too. I am going to ask one more question now and return to Senator Exon.

Why was 1979 such a bad year for retention? I would like any one of you or all of you to comment—1979 was a bad year. Why?

NON-RETENTION CAUSED BY AIRLINES HIRING

General **Iosue**. 1979 was a bad year for recruiting as well as retention. It was a particularly bad year for the retention of pilots. In that year, we lost more pilots than any other year. And it was due mainly to the accelerated hiring pace of the airlines.

As you recall, in 1978, we deregulated the airlines and they went on to an expansion and hiring spree. In a large part, the pilots that were brought into the industry came from the Department of Defense. The majority of those did come from the U.S. Air Force. That is why it was clearly the worst year we ever had, where we saw our retention rate drop to the point where we were only retaining 26 out of 100 pilots between the 6- and 11-year points.

Mr. **Meis**. That same principle actually applied in the case of other skills that are transferable to the private sector such as, again, aircraft maintenance and others.

I think another reason for our bad record in 1979 was the feeling of our people in uniform that because of the pay caps that had been imposed and the spread in the pay comparability that did, in fact, generate some hardships, they felt if they were not corrected, they had to make some other move. And that is exactly what they did.

Senator **Exon**. Gentlemen, are you telling us that you need all of these new incentives which you have outlined here, that the old incentives which included a fairly good retirement plan after 20 years is not viable any more? Or how viable is it? Wasn't the 20-year retirement plan built into the military service as one of the key reasons for bringing a young man into the service? He could serve in something he would like to do for 20 years. He could still be young enough when he got out to go fly for the airlines if he wanted to. What happened to that?

General **Iosue**. That is still in effect and that certainly was an incentive. But the problem is getting to the 20 years. With the pay caps and financial burdens our people just couldn't stand that. They had financial difficulties. We had people on food stamps.

AIR FORCE PERSONNEL AND FOOD STAMPS

Senator **Exon**. You had pilots on food stamps?

General **Iosue**. Not pilots, but we had enlisted personnel who were on food stamps.

Senator **Exon**. How many, General?

General **Iosue**. It is difficult to say.

Senator **Exon**. I am only cautioning you because we have done a study on that and we think that surprisingly enough has been one of these things that has been blown out of proportion by you people in the military. So that is why I want you to answer for the record since you brought it up.

How many people in the Air Force were on food stamps? Our records indicate that they were very, very few indeed and they would only be in some of the middle echelon ranks where there were a rather large number of children in the family.

So could you answer how many people in the Air Force were on food stamps?

General **Iosue**. I can tell you how many are entitled to food stamps. Last year we had 10,000 entitled to food stamps in the Air Force. This year with the pay increases we have some 5,000 personnel entitled to food stamps.

Senator **Exon**. The GAO report says that is less than about 1 percent of the total force.

General **Iosue**. Is that 1 percent of the entire DOD force?

Senator **Exon**. Yes.

Senator **Jepsen**. May I interject something? You are talking about entitlements and you are talking about actually being on the food stamps.

Senator **Exon**. This is 1 percent entitled, according to this GAO report, Mr. Chairman, under pay scale as established.

In other words I want to make it clear that we want the facts here, but this matter of people in the military on food stamps in my opinion is blown completely out of all proportion. You would think that they were a bunch of paupers. Well, they are not paupers. We have to do more in this area, but I am not very much impressed when I hear testimony that we have got to pay people more in the military because we have to get them off food stamps.

Do you have anything to add on this, General?

General **Iosue**. I can give you another statistic for the record. Again it doesn't tell how many are on food stamps but I can say that some $23 million were collected in our commissaries and I am sure that these food stamps were not all from retirees who were redeeming food stamps in the commissaries.

Senator **Exon**. You would have no way to break that down at all?

General **Iosue**. We don't have. We have tried time and time again. We have been frustrated by it, trying to determine just how many are on food stamps. It is a moving target. As you know, the eligibility rules are very complicated.

But I think that the estimate of some 5,000 eligible is as close a figure as we can come to.

ENGINEERS BONUS

Senator **Exon**. Mr. Meis, I want to get back to this matter of $15,000 bonuses for engineers because I know it is critically important. I guess one of the concerns I have here is that maybe the services are not as well organized on this whole situation as they should be.

Assuming we would go ahead and pay $15,000 bonuses to engineers in the Air Force, you are familiar with the fact that the Navy has a rather serious shortfall in that area at the present time. I suppose the answer would be we should include that in the Navy program also. Otherwise if we would give $15,000 to the Air Force only, wouldn't that likely draw from the people that are in or would otherwise go into the Navy also?

Mr. MEIS. I am sure if we establish such an incentive program it would have to be across the board and include the other services. Now I don't know exactly whether the Navy is taking the same initiative that we are. I trust they will be.

As General Iosue indicated we hope to increase, as an example our availability through the additional ROTC program, additional scholarships, improving and expanding our recruiting efforts and so on. As you indicated, we are working with the Air Force Academy and we believe through a management process we can increase the number of graduates that would come out of the Academy.

But the fact still remains: the accession bonus we are talking about, and it is just exactly that, the accession bonus because we are competing with the private sector that is paying about $5,000 a year more as a beginning salary, so if we could achieve or realize an accession bonus it would take care of that disparity and I think we could attract more engineers into the military uniform.

Senator EXON. So the bottom line to that line of reasoning is basically back to the situation that if we are going to be competitive in the services, this is oversimplification, but simply we have to pay as much as they make in the civilian counterparts, taking into consideration of course the more lucrative retirement plan that we have in the military and free food and free medicine and all those standard things.

Mr. MEIS. I think you are absolutely right. They look at the front end. It is the beginning of a career and it is a matter of dollars and cents.

Senator EXON. General Iosue, we had General Ellis before the committee a short time ago and he was discussing with us the difficulties he was having on aircraft and maintenance in the career field. And he estimated that they were short considerably, that they were only about 92 percent of required manned aircraft maintenance personnel.

About a year ago I believe you testified before our committee that the shortage in aircraft and maintenance in the career field was very small. I think you indicated maybe the shortfall was only 92 people.

General Ellis gave us a number of about 2,000. How do you reconcile these figures or has there simply been an increase in this shortfall from 92 to 2,000 in the last year?

General IOSUE. We do have shortages in our sortie producing skills. The shortages are not mainly in terms of numbers. The shortages are shortages in our skilled personnel at the 5 level or the technical level and supervisory level of our maintenance personnel.

I don't recall saying that we were 92 percent short. I would say we were probably about, the 92 manning level sounds about correct. We have had a loss rate in the maintenance field higher than any of our other skills because it is a tough area, an area where they work on the flight line. There are high demands made on some of those people.

SELECTIVE REENLISTMENT BONUS

Since the implementation of selective reenlistment bonuses, we have seen some improvement. As I have shown on my briefing chart, we have improved from some 60 percent to 63 percent retainability of midcareer personnel with some improvements in the maintenance area.

Senator EXON. Maybe the record should be corrected. I am referring to a hearing before the subcommittee on January 22, 1980. There is a chart in there that shows aircraft maintenance shortage of 92. It is not a big thing, but I am just wondering if there has been an accelerated rate of shortfall in this particular critical area.

General IOSUE. No, sir. In the past year we have seen a slight improvement and have seen some acceleration in that improvement in fiscal 1981 as a result of the pay increase.

Senator EXON. There seems to be some discrepancy there and it seems at least that testimony that General Ellis told us should be straightened out.

I have just been advised by staff that the Navy did involuntarily assign Academy grads for nuclear officer training. You have not done anything like that as yet in the Air Force?

General IOSUE. No, sir, we have not.

Senator EXON. Are you considering it?

General IOSUE. We are not considering it. We think that we can entice some of those who are not going into pilot training, navigator training to go into the technical area. We have seen an increase in the last year. We will continue to stress that field to our Academy grads.

But I think, given the increase in ROTC detachments, the scholarships, the increase in the airman commissioning program, we do see some improvement in engineer manning. For example we are 1,100 short. By 1983 we should have that pared down to about 500 short of our requirement.

COLLEGE STUDENTS NOT MOTIVATED TOWARD ENGINEERING

Engineers are a national problem. We produce some 1 million college graduates per year, yet only 50,000 of them are engineers. Yet we have seen a dramatic increase in the demand for engineers across industry as well as throughout the military.

Senator EXON. What has happened to all those? There are graduate engineers but they don't go into the engineering field directly?

General IOSUE. They just do not go into engineering duties. They go into the humanities, the arts, the other fields. We have seen a decreasing percentage of graduates going into the engineering field.

Senator EXON. I guess I don't quite understand that, because I think most of us know that engineers make pretty good money, or more so than those who go into the humanities. And if we believe, I think most of us do and you are testifying to that, people are motivated by where they can do the best financially, that is quite a mystery.

General IOSUE. It is, but it is probably due to a supply and demand problem. The demand has gone up precipitously and it takes 4 years, and perhaps we will see an increase in the next 6 or 3 years.

Senator EXON. Thank you, General.

Thank you, Mr. Chairman.

Senator JEPSEN. Thank you.

Senator Denton, would you like a little more time?

Senator DENTON. Yes, sir, I think I would like a little more time, Mr. Chairman.

Senator JEPSEN. I would like to know about the 17-year-old recruit with one dependent. Can you tell me what is his base pay?

General IOSUE. I don't have the specific pay.

Mr. MEIS. Could we provide that for the record, sir?

Senator JEPSEN. Does anyone have a pay scale with them? We should have one on our staff.

Mr. MEIS. It is $501 per month with one dependent, I am told.

Senator JEPSEN. All right, what about allowances?

General IOSUE. They do receive an allowance for quarters and subsistence.

Senator JEPSEN. It is $179.70 with dependents, and then for subsistence, if he does eat in the mess hall he gets an additional $3.94 a day. That is about $4 or $120 a month. Would that be about right?

Now is there anything else that we have here? Can you think of of anything else while I am building this?

General IOSUE. Those are the main factors: basic allowance for quarters, basic allowance for subsistence and base pay. That makes up the regular military compensation.

Senator JEPSEN. Now does he get free medical attention?

General IOSUE. Yes; he gets free medical attention. Dependents' medical care is available. If there are physicians, if there is space he or she does receive free medical care. Otherwise if there is not space and they cannot receive that service, they must go on to CHAMPUS where they receive reimbursement for 80 percent of the costs.

Sir, the total an E1 with one dependent receives is $9,300 per year. That includes tax advantage, quarters, subsistence and base pay?

Is that what you came up with?

Senator JEPSEN. Well, it is close.

Then they have free medical care we would add onto that?

General IOSUE. Yes; free medical care would be additional.

Senator JEPSEN. I don't know to measure that. Has anyone ever put a rule of thumb to that? It would cost them $700–$800 a year if they were to have to get coverage and they were to provide for paying insurance coverage on the outside at a minimum.

General IOSUE. I do not have a comparison.

Senator JEPSEN. Are there any benefits by way of their utilizing the PX and other facilities?

General IOSUE. There are some perquisites that they receive by utilizing commissary and PX

Senator JEPSEN. Do you give a bonus for recruiting?

General IOSUE. We do have four skills which are entitled to a bonus, four skills that we receive authority to provide a bonus.

Senator JEPSEN. How much?

General IOSUE. The max that we can give is some $3,000.

Mr. MEIS. The average last year was about $1,750. We don't pay the max. It runs considerably less than the max authorized.

Senator JEPSEN. How long do they serve or have to serve?

SIX-YEAR ENLISTMENT FOR BONUS AND TECHNICAL TRAINING

General ISOUE. If they come in and they are paid a bonus, they must serve for longer than the initial tour so they serve for 6 years and they are not paid the bonus until they complete their training and complete their obligated service.

Senator JEPSEN. They are not paid the bonus until when?

General ISOUE. Until they complete training for the skill that they are going into, and they must serve that 6-year period.

Senator JEPSEN. Let's back up. The complete training would be when? I know there is the basic training plus MOS training?

General IOSUE. Plus technical training and then they are paid the bonus.

Mr. MEIS. And then they report to their duty assignment and they are paid the bonus at that time.

Senator JEPSEN. After that 14 months they will be paid the bonus and then report to their duties?

General IOSUE. Yes, sir.

General CONAWAY. And our payments in the Guard sir, on this same question is $1,500 for an enlistment to a critical skill with the initial payment after completing the technical school of $750; 50 percent of after completing 2 years of service, an additional $200; after 3 years of service, another $200; after 4 years of service, the remaining $350 for a total of $1,500.

Mr. MEIS. And it requires a 6-year enlistment.

General CONAWAY. That is a 6-year enlistment for the Guard.

Senator JEPSEN. All right. Before I ask Senator Denton to take over here I would like to introduce Senator Denton to you.

Senator Denton, on your left to right is General Iosue, Deputy Chief of Staff; Acting Assistant Air Force Secretary Joe Meis; General Bodycombe, the Chief of Air Force Reserve; and General Conaway, Director of the Air National Guard.

Gentlemen, I present to you at this time Senator Denton, a very welcome addition to this Senate body and this Armed Services Committee, and I am proud and honored to have him as a member of the subcommittee.

Senator Denton?

Senator DENTON. Thank you very much, Mr. Chairman.

I want to thank General Iosue for coming. There is something that you and I both understand about the Air Force in general, because I would not be sitting here if it were not for them. I have a sense of pride in that we finally won our military victory in Vietnam after almost 8 years of military indecisiveness. The Air Force finally broke the will of the enemy in a way that our public still does not understand, in a way I think many Members of our Congress don't understand. And I hope to get that point across because I believe it assists in reorienting our attitude toward the Armed Forces and particularly regarding the use of our Armed Forces.

Beyond that I have no ambition to second guess the experts regarding what is needed in the way of inducements to improve retention. It appears that money is indeed the key to your stated principal needs of adequate pay and a resurrected GI bill I understand you have outlined specifically how you would go about improving the compensation setup to improve retention, However when you talk about 1979 being a terrible year and 1980 being better with junior officer retention, you get into this area that I would have thought to see more written about or spoken about in terms of improving recruitment and improving retention.

JUNIOR OFFICER RETENTION

You say in this statement by Mr. Meis that in fiscal year 1980 junior officer retention improved. I am encouraged by it because of some transitory factors that year, numerous interim initiatives to improve career expectations in the Air Force way of life as well as to remove irritants wherever possible.

I wonder, have you developed in financial terms, other than straight pay, ways in which you can present the improvement of career expectations in terms of saying extra long or numerous deployments or separations from families, maybe even tax breaks that you used to get and don't get now? I know you are talking about moving expenses and that sort of thing.

I notice you go back to 1972 and base your comparability scale on that. I would hazard a guess, now I don't have the numbers and maybe you do, that if we went back to something like 1958 or 1954 when perhaps our problems in these areas were less acute, you might not have a more favorable comparability in the sense that you are using it here, direct financial pay, but would have had extremely better career expectations, fewer irritants, greater sense of national need or patriotism, which is one of the things you mentioned here.

Could you comment on that? Would you care to, General Iosue?

General IOSUE. Sir, we hammered out our pay needs. Those are the tangible things that our people look at, but there are many other things which we have done in terms of push factors that push people out of the military. We have adjusted our assignment process. We have gone after volunteers as much as we possibly can, feeling if we send someone from point A to point B or overseas that if they were volunteers, they would be more happy and productive and would stay with us. We have adjusted our promotion policies in terms of phase point and promotion eligibility, chances of promotion. We have upped those promotion possibilities. That has helped us considerably.

We are in the process of devising a total pay or total compensation or total value, if you will, statement that outlines what the worth is of these intangibles such as retirement pay, such as the use of commissary, use of the PX, tax advantages, those sorts of things. We have kind of decentralized somewhat the decisionmaking process so that we could give them more say in their assignments and to allow them to put forth their desires and outline their desires for us.

So we have done a number of things in the last couple of years in an effort to improve our retention.

At the same time we do see an emerging sense of service, given the world situation. Spurred on by the return of the hostages we do see some of that at work, and we are trying to keep that momentum going and hopefully we can.

But as we appear before this committee, we want to take the financial burden off our people first and then concentrate on those things that motivate them to stay and serve their country.

Mr. MEIS. I would like to add that the points you made, Senator, are equally important, in my judgment, to just the dollar compensation. You talked about irritants. I know from my travels, talking to GI's, and I make it a point when I go out to talk to GI's to find out what their irritants are. As I mentioned earlier, reimbursement for PCS really is not truly a compensation. It is a cost of doing business and it ought to be reflected and it ought to be administered in that manner. That is an irritant and I think there would be a simple way to correct it, because those moves are made for the advantage of the Government, not the individual.

We talk about family separations.

Senator DENTON. May I have a moment on that?

Mr. MEIS. Sure.

Senator DENTON. In overseeing the FBI budget, for example, I was amazed to learn that they had what they considered to be very valid complaints to the effect that they were given only *x* tens of thousands of dollars, something like 12 to compensate for the fact that they had to sell a house and then only another *x* $9,000 because they had to buy one.

Now, that is the kind of thing I am talking about, see, because in industry it is common for this to be done. They just move the guy, as you know, and here we are in another area of the Government related to national security and you are not talking about it.

General IOSUE. Sir, we take a master sergeant with three dependents and move him from Washington, D.C., to the west coast and and we give him $1,000 and expect him to arrive.

Senator DENTON. That is my suggestion. I would think, kind of feeling the mood of the day in terms of saving money, in terms of pure pay, if you can translate the lack of humanity applied to the Air Force or to the services into some comparability terms with respect to that which is interpreted as humanity with respect to other Government agencies, some of which are not daily risking their lives; this is not the FBI, not risking their lives in the ordinary routine as many pilots and bombardiers and navigators; I think you would have a very persuasive time frame in which to present that kind of case.

OPERATIONAL DEPLOYMENT OF NATIONAL GUARD AND RESERVES

Another question: Since the retention problem hits you mostly in the middle grade and even in the junior officer grade and it is really a capability problem in military terms, I come up against something that I have asked about with respect to the Army with more confidence than I ask about with respect to the Air Force, and that is the use, the actual use, the operational deployment of the National Guard and the Reserves.

We talk a lot about total force. I believe that the total force concept works in the Army and the Air Force quite well. The only problem with the Army—now I will have to ask you this with respect to the Air Force—with the Army I have postulated before and got 100-percent agreement on the theory that the Reserves, for example, were abused during the Korean conflict in that they pretty much took a disproportionately heavy burden of the fighting in casualties. In the case of Vietnam, the reverse was the case.

It occurs to me that we seem to have gotten into a syndrome by which the employment of the Reserves in combat, particularly in the Army now, I don't know how with respect to the Air Force, but in the Army you are in an almost all-out nuclear war before you can use these guys. Otherwise you have got a new law by which, yes, the President can say you can do active duty but in 60 days you have to get an act of Congress to get this national emergency declared, which seems to be virtually impossible because of a lot of things I don't understand yet which have to do with other dislocations.

Isn't that a tremendous problem that the Reserve officers don't even want to be in that situation, the ones that I know and respect? Why are we in that condition and does it affect the Air Force like it does the Army?

Mr. **Meis.** Let me address that and then I know my colleagues will want to talk about it.

TOTAL FORCE POLICY

I have followed the performance and the participation of the Reserve Forces starting with World War II, which reveals my age, of course. No. 1, I would like to say with respect to the total force policy and practice in being in the Air Force, the Chief of Staff recently made a statement and he said the total force policy, the establishment of it within the Air Force, is the success story of the last decade. I couldn't endorse that statement any better.

The Reserve Forces today are a part of the total Air Force, performing peacetime missions almost on a worldwide basis. We have people deployed to Europe performing various tasks whether it is tanker support or whether it is a communications or electronics unit helping install electronics equipment or a Red Horse unit, or whatever it may be.

I think we have truly achieved that total force concept or policy. It is accepted by both the active members and the Reserve as a very effective program, and I think this contributes to the success that the Reserve Forces have had in recruiting the number of people they want because they are performing meaningful peacetime missions for the Active Air Force, much of it as a byproduct of the training dollars, if you wish.

Now with respect to the role they played during the days of Korea: I, for one, do not believe from an Air Force point of view, I cannot speak for the Army, that either the Reserve or the Army carried an undue portion of the total responsibility. I think it was a well-integrated force there.

With respect to Vietnam, and this really gets back to what is the policy of the administration that is in power at the time. In other words, in what manner do they want to use the Reserve Force? Again, in the case of Vietnam, it was somewhat late, but when the decision was made by the administration, yes, we will recall to active duty and deploy the Reserve Forces, we did that and they performed with great honor.

Senator **Denton.** I don't mean to derogate the Reserves at all. When was that decision made, what year?

Mr. **Meis.** I don't remember the year, but I might go back a little before that and draw this distinction, if you wish.

Senator DENTON. But I would be interested in when that decision was made because in terms of say naval aviation I did not see any of that.

General CONAWAY. The callup was in 1968.

Mr. MEIS. When did we deploy our first unit to Vietnam?

General CONAWAY. 1968.

Senator DENTON. You had guys doing four deployments. Of course I wasn't there the whole time but I didn't see Reserve officers alleviating that situation. If that was not the case in the Air Force, that is good news to me.

Mr. MEIS. It was not news in the Air Force. We operated with the Guard aircraft assigned at that time.

Senator DENTON. Could you give me some idea of the proportion of the National Guard and Reserve pilots who were placed in service?

General CONAWAY. In 1968, we had 14 major units. This was not a total callup. It was a select callup with units that they needed of the Air Reserve Forces and speaking for the Air National Guard I was with one of those 14 units.

Senator DENTON. How many were called up?

General CONAWAY. Fourteen out of 91 major flying units were called up. Some of these units went to Vietnam, such as our F–100 units from the Colorado Air National Guard and from the Iowa National Guard at Sioux City and Niagara Falls and from the District of Columbia. I was in an RF–101 unit that went to Korea. We went and served and pulled a combat tour on active duty for 18 months and returned and deactivated to our peacetime role. That was the most recent mobilization that we have had. We had over 98 percent show for that mobilization which I think was very good. People ask, how many will go? 98 percent showed and we were a draft motivated force. We have an All-Volunteer Force today. I am convinced that 99-plus percent will show and be ready to go today.

Senator DENTON. So there is no problem with respect to getting the Reserve and/or National Guard into combat even if it were limited?

General CONAWAY. That is right.

Senator DENTON. There certainly was one the other day when we were talking with the Army.

PRESIDENTIAL POWER TO CALL UP FOR 90 DAYS DURING EMERGENCY

Mr. MEIS. I think you alluded to one point. The President has authority now to call up to 100,000 individuals to active duty during the buildup of the emergency and so on. That is 90 days. If after 90 days, in other words either they have to be released or have a declaration of the emergency.

Senator DENTON. That is what I wanted to start with. It is 90 days and then you have to declare this thing which seems to be undeclarable, and Kennedy and Johnson and Nixon and Ford all found it politically inadvisable.

Mr. MEIS. That is right, that is why they had different policies with respect to it.

Senator DENTON. All of them were consistent on that point and I am afraid this President would be, too, and the next one, and the next one. It seems to me that it presents a problem. This is a 90-day limitation.

General CONAWAY. Except that in the conflict we went through during the mid-sixty time frame, the decision was made to rely on the draft to supplement the forces, instead of relying on the Guard and Reserve in the 1965–68 time frame. Then in 1968 in the Pueblo crisis, President Johnson did call up the Guard and Reserve at that particular time. He had no trouble whatsoever in getting congressional authority and that was a callup that he could call up to 1 million personnel, Guard and Reserve personnel for 24 months. He did not have any problem getting that authority when he elected to do that.

Now today that we do not have a draft, the Department of Defense priorities are such that the Guard and Reserve will be called first and then we would go to a draft after that particular point. So we are sitting as a contingency force ready to go today because we do not have the draft to fill in.

Senator DENTON. I will have to get that related to the Army situation, because it seems to have been quite different. I have heard nothing in the whole time in the Armed Forces Staff College, it was total force and Air Force relative to some of the other services.

Thank you.

Senator JEPSEN. Well, thank you for appearing and we are going to close this now. The record will show that Senator Exon and Senator Nunn have questions to be submitted. These will be put in the record and will be answered by you. In closing I would like to see if this gets put in the record and constructively ask for your understanding and if you care to write something for the record that will respond even now to it please don't hesitate.

There are some of us who were in the service many years ago when commanders commanded their units and weren't taken to court for refusing someone a 3-day pass over the weekend, and we didn't have all of the social experimentation going on and a lot of other things that I think are going to change. But somehow over this period of time, and with all of the various influences that come by, I sense and I say very constructively in the military, in some instances, a little bit of a loss of this "can do" and "will do" attitude. We have problems. We are going to work on them together and resolve these problems.

Everybody is going to work together on it, but I do hope that now that there is what I believe to be a change in climate by way of support for our military service, our level of defense and men and women in uniform, our commanders and people in responsible positions in the service will take charge and move out, so to speak, a little bit more. It concerns me a little bit that if you have a shortage of engineers, for example, all I heard today was, "Well, we are going to encourage that," and after everybody goes where they want to go we will try to induce and urge and suggest that some of those people that graduate from our academies, since we have a shortage of engineers, will consider going into the engineers.

INVOLUNTARY ENGINEERING TRAINING AT THE ACADEMIES

Well, horsefeathers. I don't understand that, I really don't. We spend a lot of money educating folks in the military academy, we have a shortage of engineers, and I don't know what is so sacrosanct about some people taking charge and saying we need engineers. Until we resolve it we are going to assign involuntarily so many people from our academy. Is there a problem in that?

General IOSUE. No; there isn't a problem. It isn't that we assign academy grads to surplus fields or to jobs where they are not needed. It is a matter of establishing our priorities where we train at the academy combat leaders and those graduates are first assigned to combat jobs, combat-related jobs, and then to technical fields. I believe we can solve the engineering manning problem by other means than assigning involuntarily academy grads to technical areas.

Senator JEPSEN. Again I respectfully say, and please understand this is not either a negative or sarcastic thing, but a constructive thing. I asked the question about what had you in fact considered involuntary assignments and I don't even recall just what the answer was, but have you considered involuntary assignment of Air Force Academy graduates in the engineering officer field?

General IOSUE. Yes; we had considered it and rejected it because we had other options that we could use to solve the problem.

Senator JEPSEN. Did you in fact involuntarily assign anybody to engineers?

General IOSUE. No, sir, we have not.

Senator JEPSEN. The answer is no?

General IOSUE. That is right.

Mr. MEIS. We get your message on that issue and we will reexamine or look into that situation.

Senator JEPSEN. I am trying to be constructive. I was at one of our Army bases last spring and I went out in the field with them. I just returned last week from Spain after a week in the field with a group, and I don't know. There is still something about a commander who commands and something about the morale of the troops under him that does respond to discipline and "can do." My experience now is with an open mind with these folks, and has been that I can just about sit down and talk to commanders and we will discuss all of the personnel problems, and invariably there is one or two of the five who at the same place and same camp and same time and same people, don't have all of the same problems. I won't go any further on my soapbox to tell you but I could describe those men and I can understand why they don't have them, because they command.

Senator DENTON. Like the Navy, you have flight pay and the Navy has some kind of sea pay?

General IOSUE. Sea pay and special duty pay.

Senator DENTON. Do you fellows have hazardous duty pay and variable reenlistment bonuses?

General IOSUE. We do have hazardous duty pay for certain skills, and we do have selective reenlistment bonuses for certain skills.

Senator DENTON. Extended deployment pay? I have never heard of it before, but there is some way you can translate that into bucks.

General IOSUE. We do not.

INEQUALITY OF EXTENDED DEPLOYMENT

Senator DENTON. It seems to me this way of selling a house and moving and buying a house and changing schools, that is financially a burden, and you fellows are the only ones that I know of who are in that fix. Maybe the Civil Service in general is, but I know everybody was very, very upset at what they were getting. When I told them in the military they don't get it, they couldn't believe it.

General **Iosue**. We do not. We do not receive any compensation for the loss in the sale of a house or any advanced trips for house-hunting nor do we receive any form of compensation outside of a dislocation allowance and travel and per diem to that place of assignment.

Senator **Denton**. What is the dislocation allowance now? How do you equate it? Could you give me one example of dollars per rank?

General **Iosue**. For example, about $275 for a master sergeant who would go from the east coast to the west coast.

Senator **Denton**. It seems nothing like 10 or more thousand; I am talking about for one part of that move. That is a lot of money.

General **Iosue**. Thirty percent of our people last year spent in excess of what they received for travel in terms of paying for their excess household goods. Their allocation for household goods exceeded authorization and they had to pay for that. In my briefing I show that we military members, Air Force members, spent $280 million out of their pocket in excess of what they received to travel from point A to point B. DOD-wide, the problem comes close to $1 billion spent out of pocket to travel on directed moves.

Mr. **Meis**. There is a 1979 study that supports those figures.

Senator **Denton**. Back to the National Guard and Reserve. Could you give me the authority by the specifics on that. There are something like 1 million people or 100,000, and what was it?

Mr. **Meis**. It was 100,000. That was just increased last year.

Senator **Denton**. That it was increased last year and the President can call up on a 90-day limit?

Senator **Denton**. There seems to have been something said after that point by General Conaway.

General **Conaway**. There is. The President can call up with congressional approval, which he utilized in 1968 in the Pueblo callup. He can call up to 1 million Ready Reserve personnel for up to 24 months. Of course there are other types.

Senator **Denton**. That is current law, General?

General **Conaway**. Yes; and there are other types of callups.

Mr. **Meis**. That is with the approval of the Congress.

General **Conaway**. And then there is additional authority beyond that and we can cite all of those laws for you that allow for a callup of an entire Guard and Reserve unit for the duration of the war plus 6 months and things of that nature. It gets even more expanded and involved than 100,000 and 1 million, and it can go to the entire number.

Senator **Denton**. Probably it was a mistake to rely only on the draft in that you don't get the experienced people and don't get the middle-grade experience that you need, to have a continuity of personnel capability throughout the structure. So I don't see any other answer than this kind of approach. It looks like they are taken care of. We have 100,000 men, a 90-day limit, which is relatively old and then we have congressional approval. By Executive order you can call up 1 million for up to 24 months without declaration of a national emergency; is that correct?

Mr. **Meis**. I would like to provide it for the record precisely what the recall authorization is and under what conditions.

Senator **Denton**. May I get that after the fact in writing?

Mr. **Meis**. We will provide that.

[The information follows:]

Department of the Air Force,
Washington, D.C., March 13, 1981.

Hon. Jeremiah A. Denton,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

Dear Senator Denton: In response to your question during the March 6, 1981 hearing on the fiscal year 1981 Air Force manpower program. I have enclosed a summary of the various Reserve "call-up" authorities.

If I can be of further assistance, please do not hesitate to call upon me.

Sincerely,

Joe F. Meis,
Acting Assistant Secretary of the Air Force
(Manpower, Reserve Affairs and Installations).

AIR FORCE MOBILIZATION RESOURCES

Useability and resource category	Assigned[1]	Estimated Yield[2] (percent)	Availability[3]	Authority and Conditions[4]
Primary:				
Active	555,600	951	Immediate	
Ready Reserve:				
Selected Reserve	153,400	95	M-day +1	War or national emergency (Congress) (672(a)). Duration +6 mo. Unlimited callup.
Guard units	96,500			National emergency (President) (673(a)), 2 yr. Up to 1,000,000 member callup.
Reserve units	48,400			National need (President) (673(b)), 90 days, 100,000 member limit (all services).
Reserve MAs	8,600			Active Force augmentation (SECAF) (672(b)) 15 days.
Second:				
Ready Reserve:				
Individual				War (Congress) Same as above.
Ready Reserve (IRR)	45,600	75–80	M-day +7 and ongoing.	National emergency (President/Congress). Same as above.
Retired regulars	215,300	90		War (Congress). Same as above. Anytime (President). Unlimited callup (8504).
Third:				
Retired Reserve	24,300	80–90	M-day +7 and ongoing.	War or national emergency. Congress only. Unlimited callup.[5]
Standby Reserve	41,500	15–25	do	Do.[6]

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[1] As of Jan. 1, 1981. Includes retirees under age 60, within 10 yr of service and not retired for disability. ARF members EAD are counted under units.

[2] Current yield estimates provide for bad addresses, physical disability and hardship, critical civilian positions, in professional training, etc. Assumes "stop-loss." Does not account for skill loss of wartime demand.

[3] Selected Reserve reports within 24 hr. Remainder of population will be recalled as requirements are identified. Some members will be available immediately—others will need full 20 days for personal matters and travel.

[4] Parenthetical numbers are applicable references in title 10 United States Code.

[5] Retired Reserve (675).

[6] Standby Reserve (674).

Senator **Denton**. In time of national emergency declared by the President. It starts out "In time of national emergency," and there are about 40 of these things, and I never found out about that national emergency until today.

GUARD AND RESERVES OWN VOLITION TO SERVE SHORT PERIODS

General BODYCOMBE. There is another way to use the Guard and Reserve short of what you spoke about and it happens every day by asking them to come forward on their own volition and serve short periods of time. That is the way we man our strategic airlift. Half of the crews for the C–5's are reservists and they come for 3, 5, 8, and 10 days and fly the aircraft all around the world.

Senator DENTON. That works in the Air Force and it works very, very well, and it is a peacetime thing. If a man is going to go to war he is going for months.

General BODYCOMBE. As you probably noticed, we have had a number of these contingencies in the last few years where we have wanted to demonstrate the national will and yet not take any overt actions and reservists serve a very useful purpose in that under those scenarios.

STANDARDS OF READINESS IN THE GUARD

Senator DENTON. Governor James of Alabama told me that we should require or encourage Governors to have the same level of readiness within their National Guard that they have in Alabama. He is very, very proud of it, I think justifiably about that. Is there some standard on that, General, or is it just sort of pretty much State by State?

General CONAWAY. The standards that we provide in combat readiness are the standards that the Air Force has; and, of course, the Guard, different from the Reserve, is managed in peacetime by the State and the Governor who is commander in chief and delegates this to his adjutant general, General Cobb, in the State of Alabama. He manages the Air National Guard and it meets Air Force standards.

Those particular units come under the 9th Air Force at Shaw Air Force Base and are inspected by them with operational readiness inspections, management effectiveness inspections, and standards evaluation by them. Although in peacetime we are managed by each State, our standards are almost identical to the Air Force standards that they set for us. So we do have good standardization.

Senator DENTON. These components were principally Army directed and he was saying there was quite a difference. He was also saying it requires the Governor's approval in some of these callups and he was ready to give his any time, but I believe that related to the 90-day callup.

You are going to give me the specific authority and details of that 1 million callup for up to 24 months?

General CONAWAY. Or total mobilization. I will provide that for you.

Senator DENTON. Thank you, gentlemen, and thank you, Mr. Chairman.

Senator JEPSEN. Is there anything that you would care to put in the record that we have regarding your civilian force and support people?

Mr. MEIS. I don't have anything other than I have included in my detailed statement. If I decide that we need to elaborate, based on this discussion I will provide it for the record.

[Additional information follows:]

Civilian Force and Support Personnel

I appreciate this opportunity to discuss civilian manpower and personnel issues of the United States Air Force for Fiscal Year 1982. Our civilians, representing approximately 22 percent of our total work force, are an important and vital element of the total Air Force capability to support and sustain our wartime missions. Air Force civilians do not regulate private business or lives, nor do they administer social programs. They perform essential functions in support of readiness such as in-service depot maintenance capability, Air Reserve Forces Military Technicians—members of the Air National Guard and the Air Force Reserve—who serve in their units on a full time basis as civilians in peacetime and become active duty military members upon mobilization, military supply and procurement, command control and communications, intelligence, civil engineering, and other key combat support functions. I will discuss our civilian end strength request, the commercial/industrial type activities program, civilian ceilings, and some management initiatives in pay reform, our civilian engineer shortage, and high grade reductions.

CIVILIAN STRENGTH REQUIREMENTS

For fiscal year 1982, the Air Force requests authorization to employ a total of 247,353 civilians. This total includes direct hire U.S. and foreign national personnel and indirect hire foreign national personnel employed in Air Force functions. It excludes civil functions, special programs for students and disadvantaged youths, and nonappropriated fund activities such as clubs and base exchanges.

FISCAL YEAR 1982 CIVILIAN AUTHORIZATION REQUEST (AS OF 1982 PB, FISCAL YEAR 1981 SUPPLEMENTAL, FISCAL YEAR 1982 AMENDMENT)

	Fiscal year—		
	1980	1981	1982
Total	244,342	243,834	247,353
Direct	230,938	230,291	234,241
Indirect	13,404	13,543	13,112

After experiencing a 34 percent decrease since fiscal year 1967, our fiscal year 1982 request represents our first increase in civilian personnel in 12 years. The 3,500 net increase is primarily the result of the conversion of non-military essential positions to civilian positions, increased in-house depot maintenance capability and O&M support, increased technician requirements to support modernization of the Air Reserve Forces structure, increased workloads in functions covered by management engineering standards, and various other programmatic adjustments. These increases are partially offset by planned potential conversions of commercial/industrial type activities from in-service to contract performance, pending completion of cost studies to determine the more economical means of accomplishment.

COMMERCIAL AND INDUSTRIAL TYPE ACTIVITIES (CITA) PROGRAM

Contracting for accomplishment of commercial industrial type work continues as a part of our overall effort to reduce Air Force operating costs. Workloads which a formal review procedure determines do not require either military personnel or in-service civilian personnel are considered for contract performance in accordance with OMB Circular A–76. This review ensures that our combat readiness is [illegible] compromised before workloads are programmed in the budget process for an OMB Circular A–76 comparative cost analysis. Such studies are conducted to compare the cost of the most efficient in-house operation with the cost of contracting such services. The decision to perform in-service or by contract is based upon the results of the cost study—the more cost-effective method of performance is selected. The contractor's performance is monitored to insure that we continue to receive the most service for the least dollar.

The results of the fiscal year 1980 program are positive to date. The program has thus far resulted in 72 conversions to contract for more economical performance, with 36 other functions being determined to be more cost effective to remain in-house. The bottom line is a cost advantage to the government of over $92 million over a three year period.

In fiscal year 1981 and fiscal year 1982, we will conduct over 300 cost comparison studies involving about 9,000 manpower authorizations. These and subsequent studies will comply with Section 502 of the fiscal year 1981 DOD Authorization Act. Congressional notification of the fiscal year 1981 program was made in December 1980, and we anticipate announcement of the details of the fiscal year 1982 program soon.

CONTROL OF CIVILIAN MANPOWER

Congress has been estabishing a ceiling on civilian employment levels for the Department of Defense in the annual DOD Authorization Act since fiscal year 1975. Congress has allowed the Secretary of Defense to exceed the ceiling by an established percentage when deemed necessary in the interest of national defense or for potential conversions from in-service to contract performance that do not materialize. Congress has also established ceilings on the number of civilians in grades GS–13 through SES and has directed reductions in those grades through fiscal year 1982.

The Air Force supports the OSD request to not impose statutory civilian employment ceilings. The Air Force's management controls, using manpower standards, position management, and budget review, ensure civilian employment is kept at the minimum necessary to accomplish its missions and functions within overall appropriations limits.

The Air Force requests that the ceiling on high grade civilian positions be dropped. We believe we are capable and have demonstrated prudence in the management of our personnel resources. Our position management program is directed toward producing optimum quality and quantity with the least cost. The high grade control program which was imposed on the Department of Defense by Section 811(a)(2) of the DOD Authorization Act of 1978 should be repealed. Numerical controls and average grade controls do not reduce cost in terms of efficiency. In fact, such controls often hamper good position management in that new programs are late in being implemented or are of marginal quality because proper grade resources cannot be shifted or generated to staff the program.

Section 811(a)(2) of the fiscal 1978 DOD Authorization Act required the equivalent of a 6 percent reduction in civilian high grade positions, GS–13 and above, during fiscal years 1978–80. The fiscal year 1980 DOD Authorization Act extended the reduction time period until September 1981. In the fiscal year 1981 DOD Authorization Act, Congress again delayed the timeframe for reduction until September 1982. Since the reduction law was enacted, the Air Force has reduced over 500 high grade positions, or roughly 4 percent. At the same time, the Air Force was staffing high grade positions to cover new or increased mission requirements, such as Congressionally directed civilianization of the Air Force Audit Agency; increased use of civilian physicians and dentists to offset military shortfalls; and support positions connected with Foreign Military Sales. Further reduction will impair our ability to accomplish mission requirements with needed professional and managerial skills. Complete repeal of Section 811(a)(2) of the fiscal year 1978 DOD Authorization Act is urgently needed in view of the Air Force's increased staffing needs.

CIVILIAN PERSONNEL MANAGEMENT

As discussed earlier, our Air Force civilians play a vital role in our readiness and mission support capabilities. In addition to the management of the size and composition of this workforce, there are a number of critical programs and issues for the management of our people. Among them are an engineer shortage and pay reform.

PAY REFORM

The Federal Civilian Compensation Reform Bill to revise certain aspects of Federal Compensation legislation was not enacted by the 96th Congress. The Air Force still strongly supports this legislative initiative, particularly the reforms associated with blue collar pay. Efforts should therefore continue to get this needed legislation passed during this Congress. The latest Congressional Budget Office estimate regarding cost avoidance for the Air Force over the next five years is $827 million for the major blue collar reforms alone.

We need and support Blue Collar pay reform principles. The Monroney Amendment, enacted in 1968, required the government to establish "local" prevailing rates using wage data imported from different areas of the country when there was a "dominant" Federal industry in a particular locality, e.g., aircraft overhaul and repair. At Robins AFB, Georgia, for example, this results in increased costs of over $23 million per annum. The concept of Monroney was continued in the August 1972 legislation (PL 92-392) which established the Federal Wage System. Three other major changes to the pay setting process were also incorporated, each of which negates the principle of comparability:

The step rate structures for non-supervisory/leader rates was changed from three to five, resulting in Federal pay being as much as 12 percent over local prevailing rates.

A provision was added which prohibited the inclusion of wage data from state and local governments, despite the fact that they now employ 13 percent of the national work force.

Uniform percentage night shift differential of 7½ and 10 percent for second and third shift was required nationwide, despite the fact that this was not in conformance with practices followed in the private sector.

A number of attempts have been made to have legislation enacted which would repeal these undesirable features of the Blue Collar wage system. The Congressional Budget Office, in the most recent study conducted on the subject, estimates that if these four provisions of current law are repealed, DOD would realize a savings of $3.89 billion over the next five years (fiscal years 1982-86).

We also support initiatives relating to changes in General Schedule pay comparability. For example, there is a legal maximum on how much we can pay entry-level engineers. Using this limitation places us approximately $2,250 to $4,550 below the market rate and makes us non-competitive in the marketplace for a shortage skill. The Air Force currently has some 765 (40 percent) vacant Electronics Engineer positions. A significant portion of these would normally be filled at the entry level.

CIVILIAN ENGINEER SHORTAGE

The Air Force need for civilian engineers has increased 12½ percent over last year. We are in a highly competitive recruitment market and must use all authorities and flexibilities possible to ensure that we continue to obtain a sufficient number of quality personnel to meet our needs. The Office of Personnel Management (OPM) has requested the General Accounting Office (GAO) to broaden its interpretation of law to provide for the payment of travel and expenses incidental to on-site interviews. Currently, interview expenses have been authorized for positions at the GS-10 through GS-13 grade levels. Extending this authority to grade GS-9 and below would provide for swifter and more efficient staffing. It would provide an opportunity for the applicant to see and appreciate the quality and variety of work being done at Air Force installations and provide a basis for comparison with the private sector.

The Air Force has 1,900 (17 percent) vacant civilian engineer positions. Removal of the legal maximums on how much we can pay entry-level engineers and allowance of travel and expenses incidental to on-site interviews is needed if we are to fill these positions. Your support is requested in this area.

CONCLUSION

In conclusion, Air Force civilian personnel are an integral, vital part of the Air Force team. We are working many issues to continue the effective and efficient management of this dedicated and professional work force. We must ensure that we have sufficient numbers and kinds of people and the management prerogatives to accomplish our mission requirements. The programs that we have included in the fiscal year 1982 President's Budget, fiscal year 1981 Supplemental, and fiscal year 1982 Amendment, and the management flexibility discussed earlier in my statement, are necessary to accomplish Air Force plans and programs. I urge your support of these programs.

Senator JEPSEN. Are there any other comments?

General IOSUE. I would like to make one comment about the danger of getting on a soapbox on the assignment of Academy graduates. You made that comparison and the Navy does assign involuntary graduates who have engineering degrees to a nuclear submarine or engineering duty and they are assigned because they are going into combat duty. That is the Nuclear Submarine Force, and they are the only engineers that they do assign involuntarily. They are combat positions.

Senator JEPSEN. Well, what I was addressing my remarks to was meant to be much broader than that, and I am playing the violin a little. The Air Force has something in there in that regard. That is part of the answer that we are looking for, for our overall manpower personnel career approach. It is put in there for that, and you do not have it and there has to be some reason for it.

We will be looking very closely at that and if you care to put down the reasons that you think you do not have some of the same problems, even though they may seem super simple to you, I would appreciate having those for the record. We are looking for total force, total defense, manpower personnel solutions to some of our problems. Included in those problems are some of the things that you do not have nearly the problems that other branches of the service do. There has to be a reason for it.

I would appreciate both Reserve and National Guard and active duty to have a list of reasons why you feel that the Air Force does not have the problems or any comments you may have by way of suggestions for the basis of your experience that we might apply to the other branches of the service.

Thank you very much for coming to this session.

[Questions submitted for the hearing record follow:]

QUESTION SUBMITTED BY SENATOR ROGER W. JEPSEN, ANSWER SUPPLIED BY GENERAL ANDREW P. IOSUE, DEPUTY CHIEF OF STAFF, MANPOWER AND PERSONNEL, U.S. AIR FORCE

RECRUITING OF ENGINEERS

Senator JEPSEN. General Iosue, there has been testimony today that the Air Force has a problem recruiting engineers. You have testified that the Air Force has not been hurt by termination of the draft. Did you have this engineering problem in the decade prior to the draft termination? Why is that?

General IOSUE. We didn't have a problem during that era. The national supply of engineers was high in the early 60's because of the significant increase in college engineering enrollments that occurred in the mid-fifties with the start of the space age. Conversely, the demand for engineers was declining in 1962 through 1964. These factors placed the Air Force in a favorable position to compete for trained engineers.

QUESTIONS SUBMITTED BY SENATOR WILLIAM S. COHEN, ANSWERS SUPPLIED BY HON. JOE F. MEIS, ACTING ASSISTANT SECRETARY OF THE AIR FORCE, MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS

AIR FORCE RETENTION PROBLEMS

Senator COHEN. The Navy's retention problems are well-known. Yet, you indicate in the first page of your statement that the Air Force faces serious retention problems—and that "much needs to be done" if you are to "maintain the force of experienced professionals we need to do our mission." What is the extent of your retention problem? How much of an NCO shortfall do you have? How long will it take to eliminate the shortfall? And what specific steps will be required?

Secretary MEIS. From fiscal year 1975 to fiscal year 1979 the Air Force experienced significant declines in enlisted retention, particularly among those completing their second term of enlistment. During that period the second term reenlistment rate dropped from 75 percent to 60 percent and the career reenlistment rate from 97 percent to 91 percent. Although the rates increased in fiscal year 1980, to 63 percent and 92 percent respectively, both remained below our objectives. It is still too early to tell whether the fiscal year 1980 improvements will prove transitory or permanent.

Although overall enlisted manning is good, the Air Force has shortages in the mid-level supervisor grades (E5–E7) in several critical career fields. For example, we are under 90 percent manned in 7 of 9 intelligence skills, 12 of 20 avionics specialties and 6 of 15 aircraft systems maintenance specialties. These shortages are the result of a number of factors including low retention and changing manpower requirements in response to mission and weapon system changes over time.

In working to eliminate these shortages, the Air Force has undertaken a number of specific actions to improve retention in these shortage skills (all now qualify for Selective Reenlistment Bonuses), encouraging those so qualified to retrain into these skills, and, within each skill, improving the internal flow of apprentices into the mid-level grades. We believe these actions must also be accompanied by achieving and maintaining full compensation comparability.

Although these initiatives will reduce the shortages, a permanent solution will take time since filling many of the mid-level vacancies will require growing experienced journeymen and supervisors from within. In the interim, the Air Force is aligning its personnel resources to insure we continue to maintain adequate manning in mission essential career fields.

AIR FORCE CAREER CONTENT

Senator COHEN. This subcommittee heard testimony last week from a Defense Department official that only the Air Force career content has decreased among the four services under the All Volunteer Force. This seems surprising to me. To what do you attribute this?

Secretary MEIS. Between fiscal year 1974 and fiscal year 1980 the career content of our enlisted force remained approximately unchanged on a percentage basis—51.9 percent of total enlisted strength in fiscal year 1980 versus 51.3 percent in fiscal year 1974. However, career content declined in absolute terms from 271.5 thousand in fiscal year 1974 to 236.9 thousand at the end of fiscal year 1980. These reductions are due to a number of factors. Significant reductions directed in Air Force programmed end strengths resulted in smaller accession groups with fewer eventual career force entries. The career force decline was accelerated by sharply lower second term and career reenlistment rates and as "humps" of personnel passed through retirement eligibility. As the Air Force enters a period of rising end strengths, we must increase accessions and improve retention significantly if we are to sustain a career force sufficient to meet increasing requirements in the future.

COMPARE PILOT PAY

Senator COHEN. You state that the "best long term solution to the aviator problem is to provide an additional 25 percent increase in flight pay." With the percent increase we provided last year, how does pay for Air Force pilots compare today with that of their civilian counterparts?

Secretary MEIS. Even with last year's compensation increases, an airline pilot's compensation remains significantly greater than his Air Force contemporary. Total lifetime earnings through age 60 for an Air Force trained pilot who separates at the end of his initial obligation and is hired by the airlines will exceed that of his contemporary who remains in the Air Force for a full career by over 50 percent. While the initial differences in compensation are not great, after 6 years the pilot who goes to the airlines will be earning approximately $12,000 per year more than his Air Force contemporary ($48,000 per year vice $36,000 per year in 1980 dollars). Ten years later, when the military member is earning approximately $45,000 per year, the airline pilot will be earning $60,000. Upon reaching Captain, an airline pilot can earn over $80,000 per year, with a salary in excess of $100,000 per year possible. In addition, the free time generally available to an airline pilot throughout his career often enables him to establish a second source of income.

While last year's 25 percent increase in flight pay was sorely needed, it fell short of what was necessary to restore the total value and effectiveness of flight pay to the levels established by Congress in the Aviation Career Incentive Act

(1974). A further 25 percent increase is still required if we are to take advantage of the momentum we've gained and begin to provide a long term solution to our aviator retention problem. Obviously, we cannot compete dollar for dollar with the airlines. We do, however, need to provide our people with what they perceive to be fair remuneration and maintain it. The additional flight pay increase, coupled with other recently enacted and planned compensation improvements, should satisfy that criterion.

FLYING TIME AS INCENTIVE

Senator COHEN. I have also heard that insufficient flying time is a leading reason for military pilots leaving the service. Would increased flying time be as great an incentive, or a greater one, for remaining in the service as higher pay would be? Would it be more cost effective for us to provide more money for fuel, rather than to increase flight pay again?

Secretary MEIS. We cannot look at the retention aspect of these issues in an either/or context. Increased flight pay and increased flying time are both vitally important, and must be fully considered. We have found from interviews and surveys of our pilots that no one issue leads them to separate. Each considers a combination of factors including economics, quality of life, family concerns, and job satisfaction.

Economics remains one of the primary considerations when making a career decision. The military is thankful for the recent compensation increases which have had a positive effect on attitudes, morale, and retention. However, much remains to be done. The present legislative proposals will go a long way towards getting well and we must sustain our commitment to these efforts.

The question of flying time is both a retention and readiness issue. From the retention aspect, lack of flying time impacts heavily on job satisfaction. In the pilot's words, "we go through a rigorous training program, are assigned to the state of the art aircraft, and then are not given enough flying time to remain proficient"—this leads to frustration and a negative retention attitude. From a readiness perspective, to employ our weapons to their full capability we must continually train. Insufficient flying time will not allow our aviators to maintain peak proficiency which results in a corresponding decrease in readiness. Funding for increased flying time and flight pay will both be solid investments in retention and readiness.

GI BILL

Senator COHEN. You speak of the need for a GI Bill. As the first of the Senate to introduce legislation (in November of 1979) calling for a return of the GI Bill, I am pleased by the support of all four services for this concept. I wonder though, in light of the extensive educational assistance programs in the civilian sector, how much difference it will make. Do you think that it is realistic to expect a GI Bill to be as much of an incentive for military service as it was prior to the time Congress eliminated it in 1976? What elements do you believe are necessary for a new GI Bill to succeed?

Secretary MEIS. Your point that the level of federal education assistance programs currently available to young people would adversely impact on the effectiveness of a GI Bill is well taken. However, we believe that a new GI Bill designed to provide a balanced approach to the recruiting and retention needs of the services would be effective. Established as an entitlement, young people could be assured that their educational needs would be guaranteed through a GI Bill in return for honorable service as opposed to the uncertain process of a "means test associated with loan and grant application.

A properly designed new education incentives program would permit the services to better compete, in a deteriorating recruiting environment, for the high quality young people we critically need. A balanced program is essential—one which offers adequate incentives "up front" to attract high quality young people and which has strategically placed retention incentives designed to promote continued service from substantial numbers of highly trained and experienced personnel.

STUDENT LOAN FORGIVENESS

Senator COHEN. Last year, a student loan forgiveness proposal I introduced was included as part of a test program of educational assistance. I intend to reintroduce the measure this year, in hopes of making it permanent law. Would you support a permanent student loan forgiveness program?

Secretary **Meis**. We would support a permanent student loan forgiveness program if it provided forgiveness for officers as well as enlisted members. Frankly, we do not consider that the program would make a significant contribution to active force enlisted procurement—though every bit of help in quality enlistment is valuable. However, while it might be of limited value to the active force's enlisted procurement effort, it could be a major attraction to the selected reserves. We think, however, that loan forgiveness could be of more assistance in motivating college seniors, or recent graduates, to consider commissioned service.

We would recommend a full year's forgiveness of direct or federally guaranteed loans for each year of active service.

FAMILY SUPPORT FOR AIR FORCE CAREER

Senator **Cohen**. I was pleased to see your statement that the Air Force is working hard to build family support for an Air Force career. One area which you did not mention, however, is the toll which prolonged absences on the part of the military member or frequent transfers to new posts can have on the family of an airman. Has the Air Force done anything to deal with these issues?

Secretary **Meis**. Periods of family separation for unaccompanied assignments; temporary duty; or isolation during alerts, recalls, mobility/deployment exercises, and other exigencies of Air Force duties (e.g., shift work and extended duty hours) are major sources of stress for Air Force families. Frequent permanent changes of station (transfers) also cause stressful family situations as well as being significant economic drains on family finances. The Air Force has taken action to address these problem areas.

First, you are aware of our requests to alleviate the financial hardships on Air Force people and their families by seeking to restore and maintain pay comparability. We have also addressed Air Force support for legislative proposals which will reimburse Air Force members and their families for the estimated $280 million annual "out-of-pocket" expenses for permanent change of station costs.

The Air Force is now is the process of implementing base-level Family Support Centers to address a broad range of family needs and concerns. These centralized, professionally staffed facilities will consolidate base and community support services, address unmet family needs, and serve as a focus and advocate for families and family issues on Air Force installations. Services provided by Family Support Centers will include assistance for families during permanent changes of station and support for families during periods of family separation. Other services provided by the Centers will be: referral and aid for families in crisis; information, referral, and coordination of existing family providers and resources; spouse employment training, consultation, and job information; family financial management education and consultation; support for special needs families; and family development education.

Three prototype Family Support Centers will be fielded this year—one in the Pacific, one in Europe, and one in the continental United States. If the concept proves valid, Centers will be fielded at all major Air Force installations by fiscal year 1987.

Improving the quality of life for Air Force families, with programs such as base-level Family Support Centers, is an important Air Force goal. The Air Force views family programs as absolutely essential to improve retention, productivity and the morale of Air Force members and ultimately to enhance the Air Force's ability to perform its national defense mission.

QUESTION SUBMITTED BY SENATOR DAN QUAYLE, ANSWER SUPPLIED BY HON. JOE F. MEIS, ACTING ASSISTANT SECRETARY OF THE AIR FORCE, MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS

OPTIMISTIC EXPECTATIONS

Senator **Quayle**. Secretary Meis, you claim that a GI Bill would enable the Air Force to recruit college-bound youth who would be willing to defer their education for a few years while serving their country. But with so many alternative means of financing a college education that don't require recipients to devote themselves to a term of military service, why are your expectations regarding a GI Bill payoff so optimistic?

Secretary **MEIS**. A GI Bill would have a "front end" commitment to specific amounts of money—without a "means test". If, for example the basic funding would provide $300/mo for 36 months of schooling then if used full-time in a nine-month school year it would amount to $2,700 per year. The maximum basic grant in the Dept. of Education program is only $1,900 per year. Actual grants vary between $200 to $1,900—depending on individual and family resources. We expect it to be very attractive both to individuals considering military service and even more so to parents trying to help sons and daughters plan on financing college.

QUESTIONS SUBMITTED BY SENATOR JEREMIAH DENTON, ANSWERS SUPPLIED BY HON. JOE F. MEIS, ACTING ASSISTANT SECRETARY OF THE AIR FORCE, MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS

OPINION ON REINSTATING DRAFT

Senator **DENTON**. Mr. Meis, you make a comment in your written testimony that the relative attractiveness of military compensation has declined since the advent of the All-Volunteer Force. What is your personal opinion in regards to reinstating the draft or instituting a form of Universal Military Training?

Secretary **MEIS**. At this time, I do not foresee a need to return to a peacetime draft or establish universal military training. Recent recruitment and retention difficulties are, to a great degree, directly related to existing military pay deficiencies and diminished support for the military. I believe the All-Volunteer Force can continue to serve the nation's military manpower needs if these problems are corrected.

SUFFICIENT OVERSEAS HOUSING

Senator **DENTON**. You make a comment that the Air Force would like this Congress to eliminate the ceiling on the number of dependents permitted overseas. If the ceiling was lifted do you have enough adequate military housing overseas to accommodate the additional influx of dependents?

Secretary **MEIS**. This answer really has two parts:

(*a*) First, we are only talking about a few additional families in conjunction with existing bases. There is a shortage at some of our existing bases; principally in Germany, England, and Turkey where we have a deficit of adequate housing of about 8,600 units. However, please understand eliminating the dependent ceiling will hardly change the in-country family loadings at bases in these countries. To be sure, the limiting factor is housing, but the Congress has supported construction at Incirlik in Turkey (200 units in fiscal year 1981), build-to-lease housing at six bases, and leasing of existing housing where available at several other bases. The numbers of families at most bases in Germany and England are controlled by the availability of housing which includes a great many inadequate units. When a member gets orders for duty in one of these countries he/she asks for concurrent travel of dependents. In most cases, the request is denied forcing the dependents to follow at a later date. In the process of controlling Temporary Lodging Allowance (TLA) costs, members are required to find housing before the family is allowed to travel. When the family arrives, they usually move directly into private housing. Thus, absence of sufficient quantities of adequate housing has little bearing on eliminating the dependent ceiling.

(*b*) Second, most of the additional 9,000 families above the current ceiling which would be eligible for overseas movement during the next five years will be associated with new missions such as GLCM. In this respect, the United Kingdom (UK) has identified about 1,000 excess RAF quarters for our use at Greenham Common and Molesworth where the first two GLCM units will become operational. We have programmed 270 units of new construction for Greenham Common in fiscal year 1982 to make up the remainder of our needs for GLCM in the UK. In two other countries where GLCM units are planned the housing needs will be handled programmatically; i.e., the cost of housing will be included in the total MILCON package. Therefore, there would be no shortage of housing and the increase of dependents will be phased over a period of years to correspond with facilities to accommodate their needs.

AIR FORCE READINESS

Senator DENTON. In your personal view do you feel that the readiness of the Air Force, from strictly a personnel standpoint, will be improved over the readiness you experienced last year?

Secretary MEIS. The recent increases in compensation and those presently proposed for 1 July and 1 October are having a positive effect on retention. As a result, I would expect an attendant improvement in readiness. Beyond compensation, there are numerous quality of life programs which also must be pursued to assure sufficient qualified personnel to accomplish our mission.

PHYSICIAN ASSISTANTS

Senator DENTON. Physician recruiting continues to be a problem for the Air Force and other services alike. Do you feel that this problem could be reduced by increasing the stature of the Physician Assistant to that of a commissioned officer vs. a warrant officer? I understand the Air Force has tried this and would like you to inform the committee on the status of that program.

Secretary MEIS. Yes. The Air Force was the first of the military services to use Physician Assistants (PAs) to alleviate physician shortages. The PAs have provided both high quality and cost-effective health care. This has been borne out by several independent studies. Although retention of physicians has improved, the Air Force is still 1,475 (as of 1 Jan 81) short of its required wartime strength of 4,775. The major physician shortages are in critical specialty areas such as general surgery and orthopedic surgery. With some additional training, the PA can, in concert with a physician, provide expanded service in these areas.

The need for PAs in the foreseeable future is great. The immediate thrust is for expansion of the family practice program to all Air Force bases using a physician, two or three PAs, and support personnel. This mix of physicians/PAs will result in an estimated savings of 6 to 18 million dollars per year. In addition, the PAs have assumed expanded roles in emergency room duties and plans are under way to use PAs in the Aerospace Medicine Clinic for flying personnel and their families. Also under development are expanded roles in the rapid deployment force and contingency hospitals during mobilization.

Physician Assistants have been commissioned in the Air Force since 1978; however, the Conference Committee Report, fiscal year 1980 Appropriations Act, directed that Physician Assistants were no longer to be commissioned and those Physician Assistants on active duty would be limited to the grade of O–4. In fiscal year 1980 the House Armed Services Committee recommended to the House Appropriations Committee that service Secretaries determine grade of Physician Assistants. The House Appropriations Committee Report, fiscal year 1981 Appropriations Act, again restricted commissioning and promotion of Physician Assistants.

As a professional member of the health care team, the fully trained and qualified PA, with a bachelor's degree, meets the commissioning requirements of the Air Force. The warrant officer rank for PAs is not appropriate, because that grade structure does not recognize professional status, training, or roles equal with commissioned health professionals. The Air Force is convinced that commissioning the Physician Assistant is the correct decision.

In fiscal year 1980 the Air Force had a recruiting goal of 30 civilian trained PAs to be commissioned and 55 applications were received. We had accessed 15 when the commissioning was suspended and the remaining 40 people withdrew applications. Of the 15 on active duty, two are processing papers to be released from active duty because of the O–4 grade limitation. A survey of students in civilian PA training programs conducted in March 1980 by the American Academy of PAs revealed that 96 percent would not enter the Air Force if they were not commissioned.

Without commissioning, the recruitment and retention of this valuable health professional will diminish rapidly and will have an adverse impact on the ability of the Air Force Medical Service to accomplish its mission.

FLIGHT PAY INCREASE

Senator DENTON. In your statement you highlight the fact that at the end of fiscal year 1980 there existed a shortage of 1,100 pilots in the Air Force. You further mention that compensation initiatives must continue if we are to improve the situation and further recommend another 25 percent increase in flight pay in addition to the 25 percent authorized last year. In your estimation is this increase going to be sufficient or are we or can we expect that increases in subsequent years of approximately the same magnitude will be required?

Secretary **Meis.** An additional 25 percent increase in flight pay is necessary if we are to return aviator retention to more acceptable levels. This increase, coupled with the aviator bonus and increased training rates, should enable us to eliminate our shortages by the mid-1980's. Of course, this forecast is based on stable economic conditions, the elimination of other military pay inadequacies, and moderate levels of airline hiring. In looking beyond the next several years, however, if inflation were to erode the incentive value of flight pay, further increases may be necessary.

QUESTIONS SUBMITTED BY SENATOR SAM NUNN, ANSWERS SUPPLIED BY HON. JOE F. MEIS, ACTING ASSISTANT SECRETARY OF THE AIR FORCE, MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS; AND GENERAL ANDREW P. IOSUE, DEPUTY CHIEF OF STAFF, MANPOWER AND PERSONNEL, U.S. AIR FORCE

INCREASE FIRST-TERM RETENTION GOAL

Senator **Nunn.** Last year, General Iosue testified that the Air Force's first-term retention goal for 1981 was to reenlist 19,000 people. Now, Mr. Meis states on page 15 of his statement that the goal is 20,470 people. Why has this goal been increased? Does the Air Force still have an objective force size of 210,000 for its career force?

Mr. **Meis.** Our career force entry objective is intended to provide a stable flow of first-term personnel into the career force and thereby minimize to the extent possible introducing humps and valleys into the career inventory. The annual objective is determined by a number of factors including the objective size of the career force, the mix of 4- and 6-year enlistees approaching the reenlistment eligibility point and the size of the procurement groups nearing reenlistment. The fiscal year 1981 goal of 19,000 was an estimate which we have since increased. We recognized that the fiscal year 1978 and fiscal year 1979 accession groups were small and it would be difficult to obtain the needed number of reenlistments when they reach their reenlistment points one and two years hence. In anticipation of this we thought it prudent to take additional career force entries in fiscal year 1981 from the relatively large fiscal year 1977 procurement group. We are also in the process of increasing our career force objective. Although we have not yet completed our studies, we believe the final figure will be somewhat greater than 210,000.

DECLINE IN CAREER FORCE

Senator **Nunn.** Gentlemen, let me try to use some numbers to understand the Air Force's reenlistment problem.

In fiscal year 1979, there were 12,327 personnel with 19 years of service.

In 1979, there were 8,245 people with 15 years of service.

In 1979, there were 10,227 people with 10 years of service.

Given the facts that there were over 12,000 people with 19 years of service and only about 8,000 with 15 years of service, don't these numbers mean that even if retention were 100 percent of those with 15 years of service that the career force must decline because there are such a large number of people approaching retirement?

Mr. **Meis.** You've recognized an important reason for the decline in the enlisted career force. Large year groups followed by smaller year groups with fewer years of service resulted in declines in the career force which we could anticipate. What we didn't anticipate, however, was the lower propensity of individuals in all years of service to remain in the Air Force. It's important for us to improve retention in order to eliminate these unanticipated losses and, moreover, to slow anticipated losses in light of an increasing career force objective.

CAREER FORCE GROW

Senator **Nunn.** Now, there are 10,000 people with 10 years of service as opposed to 8,000 with 15 years of service. Does this suggest that the career force will eventually grow because there are larger numbers of people who will be continuing in the career force?

Mr. Meis. Not necessarily. Based on fiscal year 1980 continuation rates, we could expect a year group of 10,000 to decrease in size to about 8,000 between their tenth and fifteenth years of service, through normal attrition.

AIR FORCE MANPOWER TRENDS

Senator Nunn. Mr. Meis, the Air Force's performance both in recruiting and retention have been highlighted in the past as areas of great accomplishment and in great contrast to the difficulties faced by the other Services. However, I am very concerned by the trends in Air Force manpower that we are now seeing.

As you point out in fiscal year 1980, 83 percent of Air Force recruits were high school graduates—a significant decline from earlier days when virtually all Air Force recruits were high school graduates. You also point out that 40 percent of your accessions were in category I and II, which is the lowest proportion in over 20 years.

Air Force first-term requirements actually fell in fiscal year 1980, so that the first-term reenlistment rate for the Air Force places it third among the Services, with the Army and Navy having higher first-term reenlistment rates. Where do these trends lead? Are these declines in high school graduates, top mental group accessions, and first-term reenlistments acceptable. To put it another way, was the Air Force accessing higher quality people than they needed in the past to man and maintain its weapons systems?

Mr. Meis. The Air Force has not been accessing higher quality people than it needs. We are concerned about the downward trends, and we hope to reverse them. At best, it is an imperfect process to predict an individual's job performance. Mental Category is one indicator. Another is the aptitude score necessary to qualify for a specific job. Another is the possession of a high school diploma. Using a combination of these and other factors the Air Force enlists those people having the greatest chance of completing training and their initial enlistment with the least cost. While lower quality people can succeed, and many have, it is more difficult for them, as a group, to succeed. They require extra training and have increased attrition. We believe the most important factor to help turn around these trends is to correct the past military pay deficiencies and increase the diminished public support for the military.

PERSONNEL PROBLEMS IMPROVE

Senator Nunn. How do you account for the fact the Air Force personnel problems did not improve to the extent of the Army and Navy in the past year despite significant pay increases?

Mr. Meis. Any comparison of improvements in personnel problems across the services must be put in proper perspective. For instance, although Air Force enlisted retention declined dramatically during the several years prior to fiscal year 1979, our second term and career reenlistment rates were still significantly higher than those of the Army or Navy. Consequently, one would not expect our marginal retention improvements from fiscal year 1979 to fiscal year 1980 to be as great. What is important, however, is that Air Force reenlistments were up and retention of pilots, navigators, engineers, and other nonrated officers also improved somewhat. The compensation improvements are responsible in large measure for the better retention. However, we also have evidence that many Air Force members have adopted a wait and see approach about whether the compensation increases will be sustained in the future. This has been evident in the unusually large number of enlisted members who have chosen to extend their enlistments rather than commit to a reenlistment decision.

AIR FORCE CONCERN ABOUT RETENTION PROBLEM

Senator Nunn. General Iosue, last year you testified before this subcommittee that the Air Force has not had, and currently does not have, significant grade shortages. Promotions are made as soon as possible if the grade vacancies occur to maintain the grade strengths at the funded levels.

It is also true that the Air Force has had a significant decline in its total enlisted strength since 1974. You did indicate concerns about the trends. You indicated that the Air Force had an objective for the career force at 210,000. While the career force was actually 243,000 in 1979, current reenlistment trends would not maintain the objective force by 1985.

Is this still a fair statement of the Air Force's concern about its retention problems?

General IOSUE. We continue to promote as soon as grade vacancies occur to maintain strengths at the funded levels. In recent years, Air Force authorized and funded career grades (E5 through E9) have been sufficient to support an objective career force that was much lower than the actual inventory. During a force reduction period, this concept provided grade stability and allowed a natural reduction of the career force consistent with total enlisted strength reductions. Now that the strength reductions have bottomed out and increases are being programmed, we are in the process of increasing our career force objective and believe funded career grades should accompany that increase. While we have not yet settled on a career force objective number, we believe the final figure will be somewhat greater than the 210,000 I reported last year.

From fiscal year 1979 to fiscal year 1980, Air Force second term and career reenlistment rates increased from 60 percent to 63 percent and from 91 percent to 92 percent respectively. However, these increase still left the reenlistment rates below objectives. We believe even further improvements in retention will be required to sustain a larger career force objective.

RECRUIT ENOUGH DOCTORS

Senator EXON. Mr. Meis, on page 17 of your statement you say, "The Services can provide most cost-effective health care to dependents and their retirees population in the direct care system than can be provided under CHAMPUS, given the required manpower and equipment resources."

Is there any hope that the Military Services could recruit enough doctors to replace all of the medical services now given to dependents and the retired population? Please explain.

Secretary MEIS. There is a great deal of optimism that we can obtain adequate numbers of physicians to meet our needs if manpower ceilings and training restrictions were lifted. We do have difficulty recruiting specific specialists. If training restrictions were removed I feel we could train those required. We feel we could meet requirements through a combination of recruiting and training. However, it is not realistic nor economical to ever expect the direct care system to provide total care to all of our beneficiaries. For example, we know that approximately 70 percent of all CHAMPUS benefit dollars are expended within a 40 mile radius of a military medical facility. The Air Force Medical Service could recapture much of that CHAMPUS workload if we were permitted to consider all of our beneficiaries when staffing, sizing and equipping our medical facilities.

QUESTIONS SUBMITTED BY SENATOR J. JAMES EXON, ANSWERS SUPPLIED BY HON. JOE F. MEIS, ACTING ASSISTANT SECRETARY OF THE AIR FORCE, MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS; AND GENERAL ANDREW P. IOSUE, DEPUTY CHIEF OF STAFF, MANPOWER AND PERSONNEL, U.S. AIR FORCE

RESULTS OF FLIGHT PAY INCREASE

Senator EXON. Mr. Meis, last year Congress increased officer and enlisted flight pay by 25 percent and provided for a new pilot continuation bonus of up to four months basic pay for each year of continued service between 6 and 18 years These increases are estimated to cost $950 million for 5 years.

On page 12 of your statement you recommend another 25 percent increase in flight pay. What were the specific results of the 25 percent increase in officer and enlisted flight pay provided last year, and what do you expect the results of an additional 25 percent increase would be?

Mr. MEIS. The 25 percent increase in flight pay provided by Congress last year, coupled with a sagging economy and a pause in airline hiring, was a significant factor in reducing aviator loss rates. However, it is still too early to draw any definite conclusions about the long term results of the increase. The recent upturn in retention has helped, but it will take years of sustained improvement to offset the dramatic losses we have suffered. In 1979 alone, we lost more pilots than we produced during 1977, 1978, and 1979 combined. As you mentioned, at the end of fiscal year 1980 we were about 1,100 pilots and 300 navigators short of requirements; moreover, we predict these shortages to grow despite increased training rates. Another surge in airline hiring, forecast to occur in the fiscal year 1983–84 could also exacerbate our retention problems.

In testimony before Congress last year, we told of the need to increase flight pay by 50 percent. After considerable debate, Congress elected to provide a 25 percent increase in flight pay and authority for a continuation bonus. While we intend to implement a modest bonus program this year, we are convinced that a further 25 percent flight increase, coupled with the bonus, will have a combined impact on retention well in excess of that attainable with a bonus program alone. While the bonus can provide the short term "shot in the arm" we need to rapidly reduce our shortages, a flight pay increase is a more effective, long term solution for the existing problem as well as a preventative against future recurrences. A flight pay increase, guaranteed in law, yields a predictable and secure earnings pattern. This stabilizing element furthers the institutional values and the career commitment required in a military organization. We are currently staffing a legislative proposal to increase flight pay—we hope to have it available for your consideration in the near future.

To address your question more specifically, an additional 25 percent increase in flight pay, coupled with the aviator bonus and increased training rates, should enable us to eliminate our shortages by the mid-1980s. Of course, this forecast is based on stable economic conditions, the elimination of other military pay inadequacies, and moderate levels of airline hiring.

SUPPORT TEST OF HMO

Senator **Exon.** Mr. Meis, do you support the tests included in the fiscal year 1981 DOD Appropriations Bill to provide medical benefits on a test basis to dependents and retirees through Health Maintenance Organizations?

Secretary **Meis.** The Air Force supports the concept of evaluating Health Maintenance Organizations as an alternative to CHAMPUS, but not as an alternative to the direct care system. Readiness requirements dictate that we maintain the integrity and capability of the Uniformed Services health care system.

GENERAL OFFICERS IN COMMAND OF TROOPS

Senator **Exon.** General Iosue, please submit the number and percentage of general officers who are actually in command of troops?

General **Iosue.** The Air Force currently has 155, or 43 percent, of its active duty general officers in command of troops.

COST PER INDIVIDUAL

Senator **Exon.** General Iosue, what is the expected cost per individual, military and civilian for fiscal year 1981? What is included in these costs?

General **Iosue.** The expected cost of an Air Force officer is $30,665 and $13,446 for an airman. These costs include basic pay, basic allowance for quarters, incentive and special pays, allowances, and the government's contribution to social security tax. The estimated cost per Air Force civilian for fiscal year 1981 is $23,308. This cost includes: basic salary, other salary for differential costs such as overtime and premium pay, benefits including retirement, health plans, life insurance, moving and location allowances and payments to former employees (severance pay).

PILOT SHORTAGE STATUS

Senator **Exon.** General Iosue, please provide an update of the situation with the pilot shortage. Compare expected data for fiscal year 1981 through fiscal year 1982 with pilot retention figures for fiscal years 1978–80.

General **Iosue.** Our pilot shortage decreased from 1,300 in fiscal year 1979 to 1,100 in fiscal year 1980, primarily due to an 800 reduction in pilot requirements. If not for this decrease in requirements, our shortage would have increased to approximately 1,900 in 1980. As it is, we expect our shortage to grow to approximately 1,650 in 1981 and remain at that level through 1982.

Retention improved for pilots during fiscal year 1980, as compared to fiscal year 1979, and we expect it to be equal or slightly better in fiscal year 1981. However, we project an increase in airline pilot hiring which will reach a high point again in the fiscal year 1983–84 time frame. We expect this increased hiring will again depress Air Force pilot retention beginning in fiscal year 1982.

Pilot retention

(6–11 YOS continuation rate)

Fiscal year:	*Percent*
[1] 1976	51
1977	47
1978	38
1979	26
[2] 1980	42(39)

[1] Fiscal year based on period from October 1, 1975 to September 30, 1976.

[2] The figures for fiscal year 1976 through fiscal year 1979 contain accounting adjustments to remove, or normalize, the effects of special early release programs mandated by the force drawdown in the early 1970's following our Southeast Asia involvement. Due to the expiration of these programs, a return to actual, or unadjusted, rates has been made beginning with fiscal year 1980 statistics. The figure in parentheses is the normalized rate for fiscal year 1980.

UPDATE TABLE

Senator Exon. General Iosue, for the record, please update the table on page 97 of the January 22, 1980 hearing before the Subcommittee on Manpower and Personnel in which you provided Air Force shortages, by skill area, for fiscal year 1979. Also please explain the increase in the shortage of aircraft maintenance personnel from 92 in fiscal year 1979 to 2,000 in fiscal year 1981. In addition to the fiscal year 1980 update, please provide fiscal year 1981 and fiscal year 1982 estimates.

General Iosue. A fiscal year 1980 update, showing shortages by career field, is provided below. Please note again that this data identifies the sum of the skill shortages within each career field. Since the shortages shown here may be offset by overages in other specialties within the same career field, actual manning by career field is normally close to 100 percent. When we refer to "aircraft maintenance," we include four career fields—32XXX (Avionics), 42XXX (Aircraft System Maintenance), 43XXX (Aircraft Maintenance), and 46XXX (Munitions & Weapons Maintenance). The shortage of 92 you saw in the fiscal year 1979 data was in the 43XXX career field only. Including the specialists in the other three career fields, the shortage is 2,316 in fiscal year 1979 and 5,030 in fiscal year 1980. When we program our recruiting and training efforts, we take into consideration any existing shortages plus projected losses and changes in requirements. Since we program every skill to 100 percent manning, we are unable to estimate shortages in fiscal year 1981 and fiscal year 1982. Actual shortages, when they materialize, can generally be attributed to actual losses exceeding projected losses or to increases in requirements which become known without sufficient lead time to be fully satisfied through the recruiting and training pipeline.

Shortages by career field

Career field and title		*Fiscal year 1980 total shortages*
10XXX	First sergeant	71
11XXX	Aircrew operations	134
20XXX	Intelligence	449
22XXX	Geodetic	8
23XXX	Audiovisual	40
24XXX	Safety	93
25XXX	Weather	28
27XXX	Command control systems operations	570
29XXX	Communications operations	133
30XXX	Communications—Electronics systems	1, 228
31XXX	Missile electronic maintenance	192
32XXX	Avionic systems	2, 307
34XXX	Training devices	208
36XXX	Wire communications systems maintenance	137
39XXX	Maintenance management systems	169
40XXX	Intricate equipment maintenance	14
42XXX	Aircraft systems maintenance	1, 735
43XXX	Aircraft maintenance	727
44XXX	Missile maintenance	119
46XXX	Munitions and weapons maintenance	261
47XXX	Vehicle maintenance	176
51XXX	Computer systems	37
54XXX	Mechanical/electrical	355
55XXX	Structural/pavements	1, 028
56XXX	Sanitation	27
57XXX	Fire protection	101
59XXX	Marine	0
60XXX	Transportation	535
61XXX	Services	72
62XXX	Food services	254
63XXX	Fuels	176
64XXX	Supply	375
65XXX	Contracting	30
66XXX	Logistics plans	32
67XXX	Accounting and finance, auditing	322
69XXX	Management analysis	13
70XXX	Administration	486
73XXX	Personnel	393
74XXX	Morale, welfare, and recreation	0
75XXX	Education and training	160
79XXX	Information	29
81XXX	Security police	1, 750
82XXX	Special investigations	0
87XXX	Band	46
90XXX 91XXX	Medical	427
92XXX	Aircrew protection	163
98XXX	Dental	9
99XXX	Special duty/reporting identifiers	240

Senator **Jepsen**. The subcommittee is adjourned.

[Whereupon, at 4:30 p.m., the subcommittee hearing was adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

THURSDAY, MARCH 5, 1981

U.S. SENATE,
SUBCOMMITTEE ON MANPOWER AND PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

NAVY AND MARINE CORPS TOTAL FORCE MANPOWER REQUEST

The subcommittee met in open session at 2 p.m., pursuant to notice, in room 224, Russell Senate Office Building, Senator Roger W. Jepsen (chairman) presiding.

Present: Senators Jepsen, Cohen, Byrd, and Nunn.

Staff present: Carl M. Smith and George F. Travers, professional staff members; Richard D. Finn and Ralph O. White, Jr., research assistants; and Jacquie S. O'Grady, staff assistant.

Also present: Jim Dykstra, assistant to Senator Cohen; Herman n Pirchner, assistant to Senator Jepsen; Gray Armistead, assistant to Senator Byrd; Greg Pallas, assistant to Senator Exon; Paul Schreiber, assistant to Senator Denton, and Dennis Malloy, assistant to Senator Quayle.

OPENING STATEMENT BY SENATOR ROGER W. JEPSEN, CHAIRMAN

Senator JEPSEN. The subcommittee will come to order.

The Manpower and Personnel Subcommittee meets today to continue its series of hearings on the Defense Department manpower request in the fiscal year 1981 supplemental and the fiscal year 1982 authorization. Today we are pleased to receive testimony on Navy and Marine Corps manpower from Under Secretary of the Navy Robert Murray; Lt. Gen. Edward Bronars, Deputy Chief of Staff, Manpower, U.S. Marine Corps; and Vice Adm. Lando Zech, Deputy Chief of Naval Operations for Manpower, Personnel and Training, whom I had lunch with not too long ago.

In keeping with our view of the importance of the Reserve community in the total force concept, I also welcome the testimony of Rear Admiral Palmer, Chief of the Naval Reserve and Major General Crist, Deputy Chief of Staff, Reserve Affairs, U.S. Marine Corps.

The Navy has experienced great difficulty in retaining its skilled and experienced personnel, both officer and enlisted. It has been reported that the Navy is short 22,000 petty officers—I have read other sources which say 18,000 and I don't know which is correct—in the senior careerist category. The impact of this shortage is best illustrated by a recent statement by the Chief of Naval Operations:

> The Navy's readiness today is the lowest I have seen it during my naval career—I might add a career that began in 1947—due almost entirely to our serious and continuing shortages of midgrade officers and petty officers.

Unfortunately, our midcareer shortages are only one facet of the problem. Today the active Armed Forces are experiencing quantitative and qualitative first-term recruiting difficulties of which we are all aware. There is a growing concern over the composition of the force, in terms of combat readiness.

I recently returned from Europe and visiting with our brothers and sisters in the Army, and I believe they have sustainability problems which are not unique.

We have witnessed a decline in the number of high school diploma graduates and combined mental category I and II rates enlisting in the service. Statistics indicate, and we have found this to be true in all of our hearings to date and it has been reiterated that there is a correlation between a high school graduate and completion of an enlistment. It is one of the things that we know for sure.

Measurement problems associated with defining a quality recruit, however, confound the issue of how much quality the military is getting and how much they need. We must continue to develop better standards to gauge the potential for success in the military and to apply those standards to the enlistment process.

The issue of the statutory limitations on the number of non-high school graduates and category IV accessions has generated concern within the services and to some extent in Congress. I believe that it should be noted that the Marine Corps made the decision a few years ago that there would be no compromise on quality. They voluntarily undertook a program to enlist the best and succeeded. They always do. Their dedication to quality has resulted in a Marine Corps that has experienced fewer personnel problems. I salute your "can do" attitude, which is consistent with the type I knew when I was in the service many years ago.

During the course of the hearing this afternoon I hope to elicit suggestions from you that the other services might find useful.

Despite their manpower difficulties, the members of the Navy and Marine Corps deserve our Nation's deepest gratitude for their arduous and courageous vigilance in the Indian Ocean during a period of international crisis. The whole country was proud of you.

This subcommittee is eager to work with you in meeting our manpower challenge. We appreciate your help in this effort and welcome your frank and candid testimony.

Without looking ahead, in a constructive viewpoint, it is a new day in this country and in this Congress, and you will have my support and good will. I look forward to working with you and pledge that we will take everything that we have at our command in this committee and staff to resolve our problems. There is no question about it. If we decide to do it we will get it done.

I am most pleased now to yield to my very distinguished colleague and good friend, Senator Byrd.

Senator **Byrd**. Thank you, Mr. Chairman.

The chairman of this subcommittee has covered things so beautifully that I have no further comment at this time.

Senator JEPSEN. We will now hear Mr. Murray.

I assume you are to be the spokesman, and it looks like you are in position and ready.

Mr. MURRAY. Yes, sir.

Senator JEPSEN. The Honorable Robert J. Murray.

We thank you for your statement as Under Secretary of the Navy, and you may proceed.

STATEMENT OF HON. ROBERT J. MURRAY, UNDER SECRETARY OF THE NAVY, ACCOMPANIED BY LT. GEN. EDWARD J. BRONARS, USMC, DEPUTY CHIEF OF STAFF FOR MANPOWER HEADQUARTERS, U.S. MARINE CORPS; VICE ADMIRAL LANDO W. ZECH, JR., USN, DEPUTY CHIEF OF NAVAL OPERATIONS (MANPOWER, PERSONNEL AND TRAINING) AND CHIEF OF NAVAL PERSONNEL; REAR ADMIRAL FREDERICK F. PALMER, USN, DIRECTOR OF NAVAL RESERVE AND CHIEF OF NAVAL RESERVE; MAJ. GEN. GEORGE B. CRIST, USMC, DEPUTY CHIEF OF STAFF FOR RESERVE AFFAIRS HEADQUARTERS, U.S. MARINE CORPS; REAR ADM. C. A. E. JOHNSON, JR., USNR, DEPUTY DIRECTOR OF NAVAL RESERVE; AND BRIG. GEN. AMERICO A. SARDO, USMC, DIRECTOR, TRAINING DIVISION, HEADQUARTERS, U.S. MARINE CORPS

Mr. MURRAY. It is a great pleasure to be here this afternoon to testify on the 1982 manpower program, including the amendments to that program by the Reagan administration.

If I may, I would like to submit my formal statement for the record, make some summary points, and then let my distinguished military and naval colleagues summarize their very excellent and comprehensive statements for you.

Would that be all right, sir?

Senator JEPSEN. Yes, sir. Your statement will be entered in the record as if read.

[The prepared statement follows:]

PREPARED STATEMENT OF THE HONORABLE ROBERT J. MURRAY, UNDER SECRETARY OF THE NAVY

Mr. Chairman, Members of the Subcommittee: It is a pleasure and an honor for me to appear before the Subcommittee today to discuss the manpower, personnel and training portions of the Fiscal Year 1982 Budget submission. With me this morning are Lieutenant General Edward J. Bronars, Deputy Chief of Staff for Manpower, Marine Corps and Vice Admiral Lando Zech, Chief of Naval Personnel and Deputy Chief of Naval Operations for Manpower, Personnel and Training. General Bronars and Admiral Zech have prepared statements and, with your permission, will make summary remarks following my own. We shall be happy to answer any questions you may wish to ask.

SEVERE PROBLEMS

Last year during the manpower hearings the Department of the Navy outlined severe problems in recruiting and retention and their resultant negative impact on our ability to properly man our forces. Of more significance were the declining trends that were reported. The witnesses were candid. They told of internal

Department of the Navy actions and initiatives that they were planning and taking to dampen the worsening manpower situation. They made one point clear, compensation was so inadequate as to be a major contributor to the problems faced and, without correction of the compensation shortfalls, Navy and Marine Corps actions could not be expected to solve this real detractor in our quest to reach and maintain an acceptable degree of combat readiness.

As a result of actions by the Senate Armed Services Committee and your colleagues on the House Armed Services Committee the trends are finally in the right direction. I'll discuss them in more detail in a moment but first I want to offer, on behalf of the men and women of the Navy and Marine Corps, our sincere thanks for your superlative efforts to improve compensation for military personnel. Major increases in bonus programs, Sea Pay, Submarine Pay, Aviation Career Incentive Pay, Variable Housing Allowance and increased travel allowances are but a few of the positive steps taken to move us in the right direction. Our people are responding.

RETENTION

You know that retention of high quality, trained individuals in the career force is a major concern and a serious problem. How well we are doing, or not doing, in retention is a measure of the health of our force now and for the future. In the Navy FY-80 first term reenlistment rate was 36.7 percent against a steady state requirement of 45 percent. Through the first four months of fiscal year 1981 it stands at 43.6 percent. Second term fiscal year 1980 reenlistment rate was 50.5 percent against a requirement of 60 percent. Today, through the first four months, it is 58.4 percent. Third term, particularly important to us, was 91.6 percent in fiscal year 1980 and is at 93.2 percent through January against a requirement of 95 percent. Marine Corps enlisted retention is also on the rise. Through the first four months, the first term rate is 25.4 percent above last year's 22.8 percent, and the career rate is 72.4 percent compared to 66.6 percent in fiscal year 1980. We are optimistic for fiscal year 1981.

It is too early to establish definitive results regarding officer retention but the increases in Sea Pay, Submarine Pay, Nuclear Officer Continuation Bonuses, Aviation Career Incentive Pay and establishment of the Aviation Officer Continuation Bonus will have a positive impact.

There are a few cautions that I must offer as we view these gains in enlisted retention. Some of the gains come from personnel who extended their enlistments in the first quarter of fiscal year 1981 to gain the higher Selective Reenlistment Bonuses and the Zone C Bonus that went into effect in the first quarter of fiscal year 1981. Some of the compensation improvements did not have an impact in the first quarter. I am speaking of the new structure and rates for Sea Pay and Submarine Pay. They should improve our posture in later quarters of this fiscal year. The 11.7 percent pay raise put more dollars in individual paychecks and, as a result, had to contribute to the positive trends noted. We should, however, recognize that 11.7 percent did not result in an increase in purchasing power; to the contrary it did not keep pace with the CPI. It may be that the glow that comes from a major increase in one's check will not hold up over a long period of time as prices move away from one's ability to pay. In summary, there are pluses and minuses in the retention equation but I believe we can all take heart that we can report improving figures.

We can report a very good year in recruiting. General Bronars and Admiral Zech will speak in detail on this issue. Both Services made their goals in both quality and quantity. Navy achieved 100.1 percent of the enlisted goal in a year that required bringing in over 11,000 more people than they recruited in fiscal year 1979. Prior service recruiting was up, a very significant fact as a prior service enlistee represents a trained individual who can make a near-term impact as we attempt to reduce our petty officer shortfall. Navy quality is high, 74.8 percent high school diploma graduates in fiscal year 1980 and over 87 percent of enlistees eligible for Class "A" school training. The Marine Corps also met its overall goal, bringing in 2,000 more people than in fiscal year 1979. They increased high school diploma graduates 5 percentage points to 78 percent in fiscal year 1980. Through the first four months of fiscal year 1981 both Services are repeating last year's performance.

What portion of this recruiting success is due to the economy and high teenage unemployment? It is impossible to say but they must be contributors to the results we are seeing. Recruiting remains a difficult task, often requiring 70 plus hours per week on the part of our recruiters in the field. As the eligible youth population declines the job will get tougher. I mention this, not to depreciate the fine results of fiscal year 1980 and the first quarter of fiscal year 1981, but to alert you to the need for continued funding of recruiting programs and initiatives to support our recruiters. The Admiral and General will discuss these needs in a moment.

ATTRITION

There is another measure of the health of the force—attrition. I am speaking of those who leave the Service prior to completion of their first enlistment. Navy attrition is down from 10.2 percent in fiscal year 1979 to 9.3 percent in fiscal year 1980 and Marine Corps attrition is similarly improving. Why is this improving? Compensation may be one answer. An individual is more likely to remain with us if he or she is not overcome by financial problems that seem to defy solution. In addition, and very significant in my opinion, is the special attention the Services have been paying to quality of life and discipline. These programs are paying dividends.

Up to this point I have painted a pleasant picture, one that reflects results from all the efforts of the Congress and the Services. In all candor I must tell you that we are not yet out of the woods. Last year we reported to you that the Navy had a shortage of about 22,000 petty officers in grades E–4 through E–9. This year the Navy petty officer shortfall is still about 22,000. The inventory of petty officers has increased by 4,200 but the experience level is lower. Requirements have also grown by 3,500, so that our shortfall is essentially the same as last year. Because career retention has been inadequate, experience levels have declined over the past four years. Even if we maintain the high retention figures we have experienced it will take years to replace the force we have lost through years of poor retention. Only time will rebuild the experience base we have lost. We are on the right track. We have built momentum due, in large measure, to the assistance you provided in the 96th Congress. We cannot afford to falter now. Compensation improvements must continue. We must regain lost purchasing power and correct remaining inequities in our system. We must also correct the inadequacies in military travel reimbursements. Within the Department of the Navy we must continue our efforts to maximize every latitude we have to improve our posture. We will need your help and guidance.

TOTAL FORCE CONCEPT

As you know, the Department of the Navy has worked hard over the past few years to develop and implement a total force concept. By total force I mean consideration of active manpower, reserve forces and civilians in an integrated manner with each performing those functions that best contribute to mission accomplishment now and during mobilization. We are achieving some noteworthy success. The integration of civilian manpower into the Service chains of command is complete. The Office of Civilian Personnel, under the Secretary, has been disestablished and a new Assistant Deputy Chief of Naval Operations (Civilian Personnel/Equal Employment Opportunity) performs many of those functions. Policy is now made by a Deputy Assistant Secretary for Civilian Personnel but is executed by those who are charged with getting the work done, the Chief of Naval Operations and the Commandant of the Marine Corps. This is a major step in the right direction.

END STRENGTH CONTROLS

A major impediment to maximum utilization of civilian personnel still exists. The establishment of end-strength controls for civilians means that we cannot accomplish funded work in the most efficient manner. Much of our work is done by civilians in industrially funded activities (approximately 162,000 of 311,000 civilians). Dollars allocated by Congress to accomplish that work should control how many people we hire to get it done, not a ceiling number that may or may not bear a firm relationship to the work that must be done. The same case could be made for non-industrially funded work as the Authorizing Committees now control the O&MN dollars used to pay the vast majority of our civilian employees. I hope that your Subcommittee can again consider this vital issue for it affords the opportunity for major increases in efficiency and productivity.

We have made major improvements in the administration of our civilian workforce. I mentioned the completed reorganization that is already bearing fruit. I would also like to make short mention of the Department of the Navy implementation of the Civil Service Reform Act of 1978 (CSRA). We are proud of our recognized leadership in this endeavor. Our over 18,000 Merit Pay System employees have been trained and are now working under the new MPS. We have developed and implemented a no nonsense approach to objective performance evaluation and tied compensation to the performance of important tasks. As we proceed through the first full year of MPS, fiscal year 1981, we will learn more and apply those lessons to make the system even stronger.

The other protion of the total force is our Navy and Marine Corps Reserves. The Navy Selected Reserve has stabilized at over 87,000 and we are making these numbers. As funds and recruiting potential dictate we will move forward to increase this vital force. Marine Corps Selected Reserve is also meeting its goals and is requesting 37,000 for fiscal year 1982. The superb integration of the Marine Corps Selected Reserve with their active force is a model effort and has been extremely successful.

WOMEN IN NAVY AND MARINE CORPS

While not a separate force in any way, I do wish to make special mention of the integration of women into the Navy and Marine Corps. By the end of fiscal year 1981 we will have over 150 women officers serving in designated ships and over 1,500 enlisted women in these noncombatants. The program is on schedule and is meeting with success. Navy women are proving that, within the limitations prescribed by Section 6015, they are ready, willing and able to accomplish their duties aboard ship in an exemplary manner.

I have touched on only a few of the facets of complex Navy and Marine Corps manpower program. The statements to be provided by General Bronars and Admiral Zech go into much more detail and we know that there will be continuing discussions throughout the Authorization process. I want you to know that I believe we have a solid program, know where we are going and what our problems are. We know where we need assistance and will be forthcoming with the members and staff in explaining our difficulties and seeking your help. There is one last matter I would like to discuss.

You have every right to be extremely proud of our Navy and Marine Corps personnel. Long deployments of our Battle Groups and embarked Marines are well known to members of this Subcommittee. We are extremely short of people and of ships to meet our commitments. When, in an environment of heavy operations, the requirement for extended deployments arises the entire Navy and Marine Corps is affected. Support ships must work a much more arduous schedule to support the combatants. Other ships must deploy on a much more frequent basis to pick up commitments in other areas of the world where we have national obligations and treaty requirements to fulfill. The personnel ashore, many on hard-earned shore duty after many years at sea, must often work extremely long hours under difficult conditions to support those who are going to sea. All of these factors add up to sacrifice. Sacrifice by the men and women who, in a volunteer force, choose to serve their country and their Service. Over this past year you have helped us to bring the sacrifice they willingly undertake and the rewards for their work into better balance. They have responded. They are, as service men and women have always done, doing their jobs in the best way they know how with an enthusiasm and spirit that is heartwarming. You, with the major improvements of last year, have helped us create an atmosphere where such dedication and performance is possible. Together we can continue to provide the support to these most deserving people. We know that an improved total force and resulting improvements in readiness today and in the future will be the fruits of our labor.

Thank you for providing me with the opportunity to testify this morning.

Mr. **Murray**. As point No. 1, Mr. Chairman, I would like to thank you for the committee's legislation last year, which was of enormous help to us at the very end of the session, particularly the initiatives on sea pay, sub pay, and the fair benefits proposals. We are already noting some remarkably good trends. We have reenlisted 4,000 more naval petty officers than we had anticipated in fiscal year 1981. While we don't think the rate will continue to be that high, because many sailors were waiting to see what the action of the administration and the Congress would be, it is certainly a very positive sign and one that is turning out to be extraordinarily helpful for the Navy. We estimate that by the end of 1982 we should have an additional 10,000 petty officers beyond what we might otherwise have expected.

RECRUITING UP FOR FISCAL YEAR 1980

The second point I would make is that recruiting is up for fiscal year 1980, and for the first part of 1981. Both the Navy and the Marine Corps have gone over 100 percent in their recruiting goals and they are achieving high quality people. The first quarter of fiscal year 1981 and, indeed, January of this year, have been equally good, and we continue to make 100 percent of our quality and quantity goals.

Third, Mr. Chairman, I would say that our first term attrition in the Navy, which is still a problem and which has been noted by this committee in the past, is somewhat better. It is down slightly, largely because of the strong actions that are being taken by the Chief of Naval Operations and the Commandant of the Marine Corps, although that is still a problem for us and we still have more work to do.

Fourth, we are making very special efforts through the chain of command, particularly by the Chief of Naval Operations, to improve standards and discipline in the Navy. The CNO has been very energetic about this. He has spoken to all of the flag officers in the Navy down through the chain of command, to reemphasize the traditions and responsibilities of naval leadership and this is having a very good effect. We find that people very much want to serve in an organization that is supported by the country, has a real mission and has high standards. We are doing our very best to make sure that those are indeed the standards of the Navy. The Marine Corps, as you rightly noted in your opening statement, is continuing, as always, to maintain its high standards.

Fifth, I would say that we have been working very much harder lately for our families. Families are extraordinarily important in the retention of career people in the Navy and Marine Corps, and we are doing whatever we can, in whatever way we can, to help strengthen the support we provide to families. We feel we have a special responsibility to them because of the added burdens placed them by the deployments for long periods at sea and unaccompanied tours in remote areas by our service personnel.

Sixth, our quality of life programs are being significantly increased in terms of the funding we propose for 1982, to establish things like family service centers, and to increase and improve living facilities. One most important quality of life program that this committee has already dealt with so well has been the variable housing allowance. That was of enormous importance to the Navy, particularly because so relatively few of our sailors live on base. We don't have the large base housing programs that other services do, and we were disproportionately disadvantaged prior to that program. Now we are no longer disadvantaged thanks to the VHA.

CHALLENGES OF THE EIGHTIES

Finally, Mr. Chairman, I would like to emphasize the challenges that we see ahead for the decade of the eighties. The first is the international situation which in our mind is not going to change substantially for the better in terms of the demands that it makes upon us. We are going to continue to have high levels of deployments for Navy and Marine Corps personnel and we will be required to maintain higher levels of readiness than we have in the last decade.

Second, we see the size of the fleet growing. The President and the Secretary of Defense have made quite clear that they think the size of the fleet is too small, and that they wish it to grow to a 600-ship Navy. If that is endorsed by the Congress, and we certainly endorse it as a need for our national security, that is going to place special demands on the Navy and Marine Corps, especially the Navy's manpower.

We see end strength growing over the next decade to accommodate the growing fleet, and to some extent the improvements needed in the Marine Corps. Recruiting is going to be more of a challenge to us as the size of the eligible population shrinks and as the economy hopefully improves.

On retention, I testified before this subcommittee last fall that we were 20,000 petty officers short and that was going to grow to 30,000 as we looked ahead to 1985, given the programs that were already before the Congress and the shipbuilding plans that had already been approved; that number is going to grow still further in this decade as we look forward to petty officer requirements, by the end of the decade, as we strive for a 600-ship Navy, that may be as high as 50,000 or 60,000 beyond what we now have.

We are going to have to work very hard in a variety of ways to achieve that kind of petty officer strength. We are going to have to look again at compensations, Mr. Chairman, and particularly at base pay. We have made great strides from the Navy point of view in special pay recently. There are still some inequities that need attention, but base pay is also in need of attention over this decade in our judgment.

Last, I would mention the discipline and standards that you mentioned in your opening statement as qualities that we require of our sailors. We are not going to be content with lowering standards to achieve end strength goals. We are going to try to both maintain our standards and our end strengths. If we have to sacrifice one or the other, we prefer to sacrifice end strength over standards.

Mr. Chairman, I would say we have a very formidable task ahead of us. As we judge it, look at it, analyze it, and think about it, we feel that we can have the kind of Navy we need, both in size and in quality The same applies to the Marine Corps. If both of our services are supported by Congress in both Houses, we will certainly have, over the decade, and we will produce, the kind of quality forces that we require and we think the country needs and wants.

Thank you, Mr. Chairman.

Senator **Jepsen**. Before I recognize these other witnesses, does anyone else on the panel desire to make a statement?

Senator Cohen, do you have any questions?

Senator **Cohen**. I prefer to listen to the statements first.

Senator **Jepsen**. Admiral Zech?

STATEMENT OF VICE ADM. LANDO ZECH, USN, CHIEF OF NAVAL PERSONNEL

Admiral **Zech.** Thank you, Mr. Chairman and members of the subcommittee.

I am Vice Adm. Lando Zech, Chief of Navy Personnel. I consider it a distinct pleasure and priviliege to testify in support of the Navy program.

COMPENSATION LEGISLATION

Before I proceed with a brief overview I would like to take this opportunity to express my very sincere appreciation for the compensation- and personnel-related legislation enacted by the 96th Congress with particular recognition of this committee's leadership role in that legislation. I consider it the most significant compensation improvement in many years, and a significant step toward correcting Navy's serious personnel problems. The initial response—as measured by recent retention statistics—has been encouraging.

Navy's manpower personnel, and training challenge is to man a growing fleet of the eighties with sufficient numbers of trained and motivated personnel. We face this challenge during a period of increased national commitments, a higher tempo of operations than during the height of our involvement in Southeast Asia and with the prospect of a declining manpower pool of 18 to 21-year-old males. Our Navy is stretched thin. Not only our forces, but our people are also spread thin.

To date our sailors' performance has been exceptional, however, it will be difficult to sustain this performance, as our sailors are called upon to repeat extended deployments. We can only demand so much from this most valuable of resources before they begin to look for alternative careers. We are living with the results of too many experienced Navy men who have so opted.

As you are well aware, Navy life presents some difficult obstacles to meeting our manpower challenge. In many respects the business of going to sea in peacetime is similar to that in wartime. Some aspects are even more difficult since the personal motivation inherent in wartime is absent.

For the crews of the roughly one-third of our ships who are deployed at any given time there are long periods of family separation, some as long as 9 months. For those deployed to the Indian Ocean port visits have been few, or virtually nonexistent, as in the case of U.S.S. *Eisenhower*, which was at sea all but 5 days of her recent 9 month deployment. For her crew this meant 9 months of 12- to 18-hour days, 7 days a week. For the families left behind there are difficult periods of adjustment and readjustment which take personal sacrifice and exact their toll over time.

From an overall perspective I am guardedly optimistic about the manpower trends I see in the near term. With an orientation toward a growing Navy, we must provide increased numbers of people of the right mix to man it. I feel we can do that. Recruiting and retaining the necessary manpower for an expanding Navy has my total attention.

Any growth will necessarily involve successful recruiting. For the first time since fiscal year 1976, we were successful in enlisted recruiting last year. I attribute the success to lots of hard work by our recruiting force aided by a sluggish economy. To date this year we have also been meeting our monthly goals and we should continue to do so throughout the year. However, recruiting is a tooth-and-nail effort with scant margin between meeting or missing our goals. Economic improvement and an expanding civilian job market will assuredly work to our disadvantage. We must do everything necessary to be competitive.

OFFICER RECRUITING SHORTFALL

In officer recruiting we continue to fall short of our goals in a few key programs. Particularly difficult to recruit are candidates for the nuclear power program. Individuals eligible for this program are highly sought after by private industry. I am optimistic that the increased accession bonus for nuclear submariners will help.

Our most serious personnel problem continues to be a shortage of experienced midgrade petty officers and line officers. A peacetime force should be heavy on experience and heavily career oriented so that you could expand rapidly. This group would be the cadre on which you would build. For the past few years our trend has been just the opposite, as our midgrade people, both officers and enlisted, were leaving in unusually large numbers. Very simply this results in our ships and squadrons depending on junior, less experienced personnel in key billets and has a debilitating impact on fleet readiness.

Improved retention is the key to both better manning today and our ability to grow in the future. Although we are aggressively pursuing the recruiting of prior service Navy veterans as an immediate source of experienced petty officers, it is only through several years of improved retention that we will appreciably reduce our shortages.

Equally as serious as our enlisted retention problems are the difficulties we face in retaining midlevel officers, particularly our pilots and nuclear submariners. Historically, if an officer remained beyond the end of his initial obligation he was likely to remain for a career. We have found over the past few years that not only are too few of our officers remaining beyond their obligation, but that large numbers are continuing to leave up through the rank of lieutenant and lieutenant commander. These officers fill the department head billets in our ships and aviation squadrons. With the exception of limited recall programs, this group is irreplaceable.

Our enlisted retention results in fiscal year 1980, although still well short of the steady state requirement of 45 and 60 percent for our first and second term personnel, remained on a par with our fiscal year 1979 levels. Our cumulative rates for fiscal year 1981 are running solidly ahead of previous years. There is little doubt in my mind that the major factor in our increased reenlistments is a positive response to the compensation improvements of 1980. These reenlistments represent at least a temporary arresting of our petty officer exodus. I stress the word "temporary," because it will be several months before we can fully evaluate the longer term trend. We have also seen positive response in officer retention in the form of decreased officer resignations, again we believe, due to the compensation improvements enacted last year.

INADEQUATE LEVELS OF COMPENSATION

Last year my predecessor, Vice Admiral Baldwin, discussed at length the difficulties our people were facing due to inadequate levels of compensation. If there were any doubts regarding the importance of compensation in the retention process, I think the trends of the last few months speak for themselves. However, there is still more to be done and I would give, as an example, three important areas:

The first is to make us competitive with the civilian job market. Although there is a certain amount of debate surrounding what constitutes competitive levels, I submit that until we have people standing in line for our jobs and, conversely, until we stem the tide of experienced officers and petty officers leaving the Navy for more lucrative civilian jobs, we are not competitive in a real sense.

Second, we do not adequately reimburse our people for the expense they incur during station-to-station travel, and, third, some of our specialty pays have not been updated since 1955.

I would be remiss if I did not acknowledge the responsibility we have to improve the quality of life for our Navy men and women and their families as the Under Secretary has stated earlier. In fiscal year 1982 we have allocated about $700 million to support the several areas designed to improve quality of life. Among these programs are family service centers, which will serve as a focal point for Navy family support and assistance programs.

Inherent in any force growth is the requirement to provide a training establishment that can partially compensate for the inexperience we will live with in the fleet for the immediate future. Our fiscal year 1982 training program is essentially level with the fiscal year 1981 program and will continue to emphasize the military aspects of training, in addition to the technical skills demanded by increasingly sophisticated ships and aircraft.

As the Chief of Naval Operations has indicated before this committee, the results from our renewed emphasis on military training have been encouraging both in terms of preparing young people for military service and in reducing attrition.

In conclusion I have tried to be candid in telling you where we stand today. Although we still have serious personnel problems, I feel a guarded optimism that we are turning the corner in our problem areas. In my discussions with the fleet, I sense that the message Congress sent last year has been well received. Our Navy people are beginning to respond—a response predicated on the assumption that Congress appreciates their contributions and will continue the momentum begun last year. I can assure you I am devoting my total energy toward manning our Navy with men and women in whom we can all be proud and who will continue to provide the naval readiness necessary to the strength of our Nation.

Thank you very much.

Senator JEPSEN. Thank you.

Senator Cohen, you may proceed.

NAVY STRETCHED THIN ON MANPOWER

Senator COHEN. Admiral Zech, in your prepared statement you indicated that our Navy is already stretched quite thin and that readiness has been degraded because of the serious personnel shortage, particularly those in the midgrade officers and the petty officers. This is consistent with the message we received in the Sea Power Subcommittee yesterday, and from Admiral Hayward last month. Yet, as I believe Secretary Murray indicated and as Secretary Lehman has stated, the Navy intends to expand from 12 to 15 battle groups. The question is, How can this be achieved at a time when the Navy continues to have significant shortages in its career force? Is it a realistic goal?

I guess what I am saying is, you stemmed the hemorrhage or we staunched the wound with a very significant pay raise which was initiated in this subcommittee last year. I assume that will serve as only a temporary tourniquet at this point since continued inflation, and continued erosion of pay as we go further in the future, will set into motion the same sorts of considerations that have caused people to leave now.

Given no other factors, what is it that we are going to do to man these new ships that we have in mind today?

Admiral ZECH. First of all, I certainly agree, Senator Cohen, that even though we perhaps have stemmed the hemorrhage we have only taken a step in the right direction, and so I hope that I have emphasized in my statement that continued momentum is necessary. We must continue to address the inflation problem and we must continue the compensation efforts that were addressed last year.

If I had to provide all of the people to man those ships today, or even in this fiscal year, we could not do it without some very severe cuts in our manning of the fleet. However, it will take some time to get the ships ready and I feel that the people will be available without drawing down our fleet. In order to do that, we need to have improved recruiting and we need to have increased retention. Both are very important and mandatory in order to man the Navy we are talking about for the future.

I am encouraged about the recruiting aspect because we have met our Navy recruiting goals with quality for the past 15 months. We project we will meet our recruiting goals for this year with a great deal of effort and with the continued support of Congress. So, from a recruiting standpoint, we are reasonably optimistic but not at all unaware that the challenge is a great one.

As far as increased retention is concerned, the compensation legislation enacted this past year sent a signal to our fleet. That signal has been sent and received. The fleet really does feel that the Congress and the American people appreciate what they are doing. The young people we have in our fleet today are stretched thin, but they are doing a very fine job. I think we can all be proud of the job they are doing. They are proud of what they are doing and they want to do the job for their country.

READINESS

Senator Cohen. Let me talk about readiness in this context, that yesterday we had testimony in a different level of classification, so we can't go into here, but in terms of the type of tempo that we maintain as compared to the Soviet Union and the kind of state of readiness that the U.S. naval forces are in compared to the Soviet Union, I think you indicate in page 13 in your full statement that we are operating basically on wartime footing and have been since the Vietnam war. Yet, we are going to take steps to increase and enhance that state of readiness even more.

The question I have is: At what point is there the law of diminishing returns? How much further can we push the individuals on board in terms of days at sea and in terms of time away from family, and maintain this very high level of readiness?

At what point does it become a question of increasing or decreasing morale and contributing to and aggravating the very problem which confronts the Navy particularly?

Admiral Zech. We are pressing hard on our people right now and we have been doing it for some time. For that very reason, we have been losing some of our senior people; there is no question about it. As the Chief of Naval Operations has stated, our readiness condition has declined and that decline in readiness is equated directly to our shortage of manpower. That is exactly why we need to support increased compensation initiatives. The people that are critical to our readiness and are bearing the brunt of our deployments are senior petty officers. These are the ones that in some cases we are having to extend their tours at sea and cut their shore duty tours down. In order for one ship to get underway, we are having to put other petty officers on that ship who possibly were not prepared to go on that ship.

All of these actions that we are taking within the Navy to keep our fleet manned have a tendency to detract from our retention efforts, and as a result can be counterproductive. So we are concerned and need to increase our retention. With increased retention, we can ease this pressure. Our estimate has been that, with the increased retention which we have projected, we will be able to increase our fleet planning and thereby ease the pressure.

Now, as we grow our Navy, that is where our real challenge is. We think we will be able to do that. One of the reasons is because of the increased retention of second termers which has taken place in the last few months. That is the key to our petty officer mid-grade shortage.

Mr. Murray. Senator, could I add a point in response to your question?

Admiral Zech talked about retention, accessions, good recruiting, and also the attitude of the country, all of which are important. Inflation is also relevant. Inflation is something the administration is trying to do something about. If it does do something about it, then of course it is going to be helpful to us in the Navy in avoiding the erosion that you spoke of.

Senator COHEN. I would like to be as optimistic as the administration is, to say in the next 5 years we are going to have inflation down under 6 percent. That is the basis on which we are projecting our appropriations today, and it is optimistic and I hope they are right, and in that base, it will make all of our jobs a lot easier.

Mr. MURRAY. We are hopeful on that. Life in the service matters a lot and the quality of life that people lead is helpful to us.

The third thing I say is compensation. In 1972, I believe it was, we were achieving our second-term reenlistment rates when compensation was comparable. It has eroded over the years and, as you don't have the rates and you have more opportunities on the outside, it gets worse. So with increased end strength and better retention, which is going to reduce the average experience level, we think in all of these ways we will be able to plan the fleet. But coming in for 12,000 in the Carter 1982 budget plus 4,000 more people in the amendments, we are going to have broader accessions, and that, in turn, will ease the strain on individual people.

Senator COHEN. I think this committee would be very supportive of continuing improvements in compensatory benefits. This was the committee that initiated it.

Mr. MURRAY. Indeed it was.

INCREASED FLYING TIME NEEDED

Senator COHEN. And it was instrumental in pushing it through. In addition to that, I have been told that, as to the Navy pilots, there is one thing even more important than pay. You can't take someone you have trained to fly and sit him in a cockpit with a mockup of what he is going to go through as far as dogfights and firing of weapons systems. That decreases morale as well. I think I have seen that in the Air Force where they have to start cannibalizing their own aircraft to put parts into another one.

In Secretary Weinberger's testimony yesterday, he did have an argument about increased flying time. That will help the state of readiness.

WOMEN IN THE SERVICE

There is one other thing. You indicated that, as to women officers and enlisted personnel, your analysis indicates that the Navy can continue to accommodate some increase in numbers without negative impact on sea/shore rotation of men. The Army has indicated just the contrary to this subcommittee, that the number of women in its ranks has caused some problems. They are taking an entirely new look at the role of women in the Army.

I was wondering if you have a similar type of study under way, or do your conclusions or studies lead you to a different conclusion?

Admiral ZECH. We are examining our "Women in the Navy" program on a continuous basis, Senator. Right now, we have about 5,000 women officers in our Navy and about 31,000 enlisted women. We are going to reach 45,000 enlisted women in fiscal year 1985 with about 6,500 women officers. Right now, we have officer and enlisted women at sea, 160-some women officers on about 28 of our ships. We have about 1,500 women enlisted in 16 of those same ships.

We anticipate a gradual increase from our 31,000 enlisted women to 45,000 women in fiscal year 1985. We are watching it all of the time and I think we can see a gradual increase.

We do not anticipate any significant problems. We feel the women at sea program is essentially a very successful one, and women are performing a very important role throughout our Navy. We feel at this time that the increases are adequate and proper.

Mr. MURRAY. May I add we don't see the 45,000 as a quota of women we have to get, but rather the number of women that we can accommodate without violating the law concerning women in combat or the requirements for male sea/shore rotation.

Senator COHEN. I was intrigued at the difference in the problems the Army was experiencing.

Mr. MURRAY. It is a real difference.

Senator COHEN. I would think it would be the other way around. That is what is intriguing to me.

Mr. MURRAY. It might be if we were working on a 100,000 number, or had a specific goal that would upset our other activities.

Senator COHEN. Is there a proportion difference in the Navy?

Mr. MURRAY. I can't answer that, Senator.

Senator COHEN. I would be interested in finding what it is that makes it less of a problem or no problem in the Navy, but one for the Army where they are reconsidering the role.

Thank you. I appreciate your information.

Senator JEPSEN. Admiral Zech, the Navy has seen some adverse publicity concerning women on ships, situations like that which occurred on the Norton Sound, if the reports are accurate. Is that totally unique or is that a typical case of what is happening in other ships?

Admiral ZECH. We considered it a very unique situation, Mr. Chairman. It received a lot of publicity, but in general our women at sea program has been very successful. The commanding officers of the ships with women aboard are universal in their praise of the way the women on our ships are doing their job in both the traditional and nontraditional ratings.

I really believe that it was an exception. I don't say that it couldn't happen again, or that something similar may never happen again, but I do think that it was a bit out of proportion as far as the publicity was concerned. We feel our women at sea program is progressing very satisfactorily.

[Prepared statement of Admiral Zech follows:]

PREPARED STATEMENT OF VICE ADM. LANDO W. ZECH, DEPUTY CHIEF OF NAVAL OPERATIONS FOR MANPOWER, PERSONNEL AND TRAINING AND CHIEF OF NAVAL PERSONNEL

Mr. Chairman and Members of the Subcommittee:

I. Introduction

I am Vice Admiral Lando W. Zech, Jr., Deputy Chief of Naval Operations for Manpower, Personnel, and Training and the Chief of Naval Personnel. This is my first appearance before this subcommittee. I consider it a privilege to appear and testify in support of the Total Navy Manpower Program as reflected in the FY 1982 Budget. The Total Navy Manpower Program includes active duty U.S. Navy military personnel, civilian employees of the Navy, and the Naval Reserve. My statement addresses the requirements of these elements and discusses the "state of health" of each of them.

Before I proceed in addressing the issues that confront today's Navy, I want to take this opportunity to express my sincere appreciation for the compensation and personnel-related legislation enacted by the 96th Congress. I consider it the most significant compensation improvement in many years and a significant step in correcting Navy's serious personnel problems. The initial response--as measured by recent retention statistics--has been encouraging.

Navy's manpower, personnel and training challenge is to man a growing fleet of the 80's with sufficient numbers of trained and motivated personnel. We face this challenge during a period of increased national commitments, a higher tempo of operations than during the height of our involvement in South East Asia and with the prospect of a declining manpower pool of 18-21 year old males. Our Navy is stretched thin now. Readiness is being degraded because of our serious personnel shortages, particularly mid-grade officers and petty officers. Essential to improving fleet readiness is an improved manpower situation. In an effort to solve this critical Navy problem, the Chief of Naval Operations has again this year placed manpower as his highest priority.

Navy life presents some difficult obstacles to meeting this manpower challenge. In many respects the business of going to sea in peacetime is similar to that in wartime. For the crews of the roughly one-third of our ships who are deployed at any given time there are long periods of family separation, ranging in length up to nine months. For those deployed to the Indian Ocean, port visits have been few, or virtually nonexistent, as in the case of USS EISENHOWER (CVN-69) which was at sea all but five days of her recent deployment. For her crew this meant nine months of twelve to eighteen hour days, seven days a week. For the families left behind there are difficult periods of adjustment and readjustment which take their toll over time.

Our Navy men and women are proud of their important and unique role in providing stability in the world today. They are serving and they are sacrificing. However, underlying the unique and arduous aspects of Navy life is the requirement for adequate compensation. Despite the compensation improvements of last year, more must be done to ensure that we pay our Navy people enough to retain those we need for a career. The careerists and the potential careerists are the backbone of the Navy. Persistent inflation and repeated pay caps have rendered military compensation increasingly non-competitive with private industry. The 11.7% pay raise--as welcome and necessary as it was--only served to keep military personnel from falling farther behind. While the compensation improvements of last year are surely responsible for our recent improved retention statistics, a major part of this positive response is attributable to the perception that Congress was sending a strong signal that it recognizes the contribution of our servicemembers and intends to compensate them fairly for it. I would urge the 97th Congress to continue the work begun by its predecessor. I think it is extremely important that the momentum be maintained. We need many years of exceptional retention success to fill the serious shortages existing today and to meet the needs for what we hope will be a growing Navy. Adequate pay simply must be provided to our personnel if we are to improve the readiness of our Navy.

II. Total Force Concept

Our objective in planning, programming and budgeting for our Total Force manpower requirements is to obtain the best possible mix of military and civilian personnel to efficiently and effectively accomplish our mission. The result is development of an optimum manpower base to enable our naval forces to meet our national security objectives.

Providing and maintaining a well trained, active naval force in the proper numbers and with the appropriate mix of skills--ready and able to man our ships and aircraft--forms the heart of my responsibilities. Equally important is the requirement to provide a reserve force which forms an adequate base for mobilization in case of emergency. Finally, we plan and program the size of the Navy's civilian workforce to provide a stable support organization for the active force.

When our efforts reach the budget, or execution stage, my responsibilities focus on the coordination and direction of the Navywide personnel management effort, particularly the recruiting, distribution and retention of qualified personnel. Throughout this cycle, we have established procedures to ensure that the concept of an integrated Total Force is maintained.

III. Navy Active Military Manpower

A. Requested Manpower Levels

The FY 1982 active military authorization request for 549,700 active duty personnel represents an increase of 12,244 over the FY 1981 active military total of 537,456 authorization by the Congress. The FY 1982 increase is primarily attributable to substantial growth in the active fleet and increased manning of tactical aviation forces. Our active fleet will increase from 468 ships in FY 1981 to 487 ships in FY 1982. Attack submarines and surface combatants account for a significant portion of the force increase. The transfer of four frigates from the Active fleet to the Naval Reserve Force results in an active duty military manpower reduction that offsets some of the manpower increases.

Manpower for strategic warfare forces remains relatively stable between FY 1981 and FY 1982. The additional manpower for two Trident submarines scheduled for commissioning in FY 1982 is offset by the manpower reductions due to the transfer of three former Polaris Fleet Ballistic Missile submarines to the conventional forces.

ACTIVE MILITARY END STRENGTH

	FY 1981	FY 1982
FY 1981 End Strength Authorization	537,456	
FY 1981 Current Plan	537,456	
FY 1982 Authorization Request		549,700
Increase from FY 1981 Authorization/ Current Plan		+12,244

B. Requirements Determination Programs

We begin our management of the Total Force by a detailed analysis of our manpower requirements. For the operating forces, requirements determination is accomplished by our Ship Manpower Document (SMD) and Squadron Manpower Document (SQMD) programs. We have completed the documentation of requirements for 203 of the 206 active duty aviation squadrons (9,980 officer and 53,707 enlisted billets) and 92% of our ships. All new construction will be manned in accordance with the SMD methodology.

The Shore Requirements Standards and Manpower Planning System (SHORSTAMPS) is the largest and most complex of the Navy manpower requirements programs. During FY 1980 we achieved coverage of 22% of the shore establishment, well in excess of our 12% coverage goal. We plan to have covered 41% by the end of FY 1981, 52% by the end of FY 1982, and 70% when the system is fully operational in FY 1987. The remaining 30% of shore population is in headquarters/staff functions, one-of-a-kind activities, or functions such as direct Research and Development. These functions cannot be covered by workload generated staffing standards. Continued funding of the Navywide growth in SHORSTAMPS resources is critical to the program's success.

Mobilization manpower requirements are determined by the Navy Manpower Mobilization System (NAMMOS). This dynamic system displays mobilization workload and the resulting qualitative and quantitative manpower requirements for a variety of scenarios and time phases. NAMMOS requirements determination is compatible with the other Navy manpower systems, particularly the SHORSTAMPS program. In FY 1980, this system addressed the entire 180 days of the mobilization scenario, identifying 283,000 additional military mobilization requirements for force augmentation and supply and logistics support. During FY 1981 the system will be expanded to fully refine civilian mobilization requirements.

An important aspect of the requirements determination process is the identification of the manpower, personnel, and training requirements for emerging weapons systems. The Hardware/Manpower Integration (HARDMAN) effort is making significant progress in providing the necessary tools to accomplish this goal. HARDMAN development is ~~in~~ its fourth year and is ensuring that manpower and training supportability is given adequate consideration before acquisition decisions are made.

IV. Navy Active Military Personnel Strength

A. Total Strength

In support of the approved total Navy military manpower request, the MPN appropriation request for FY 1982 reflects a total active end strength of 549,700 personnel, which includes 65,894 officers, 479,281 enlisted personnel, and 4,525 midshipmen at the Naval Academy.

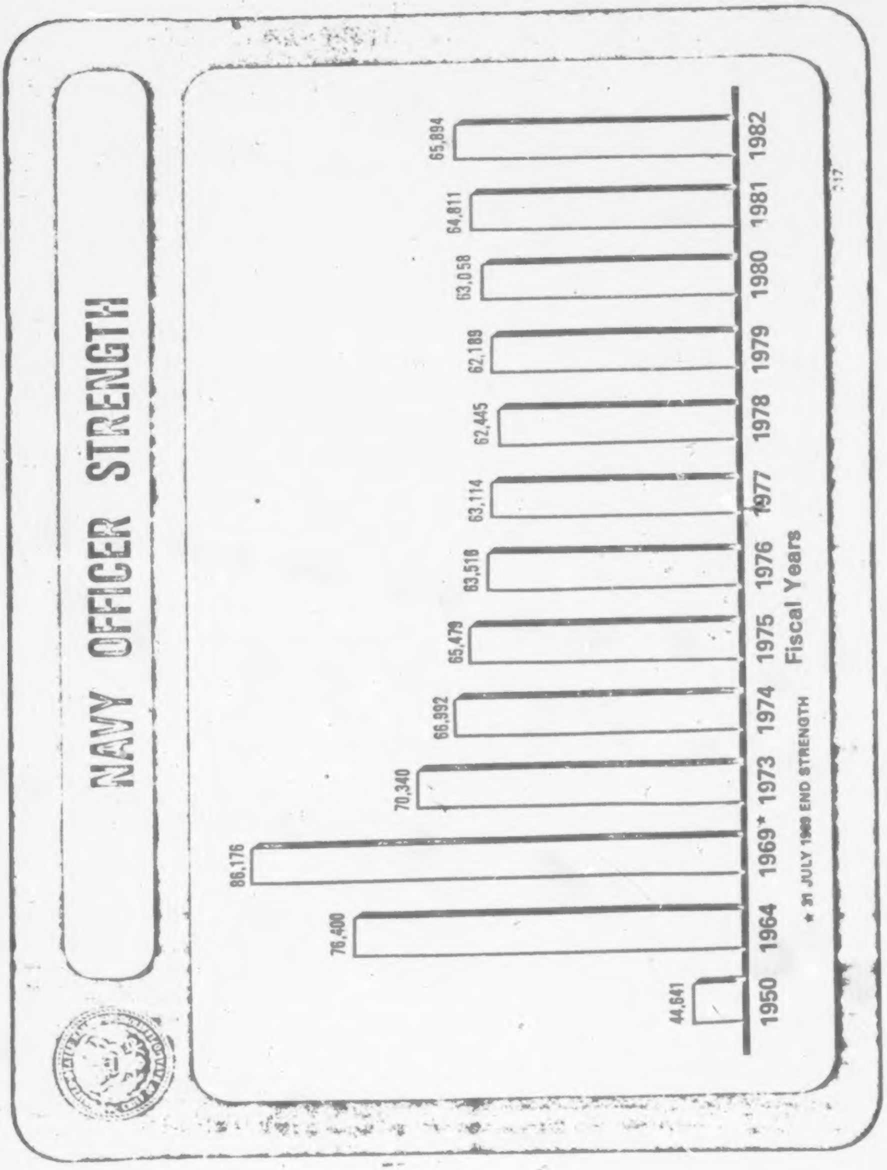
B. Officers

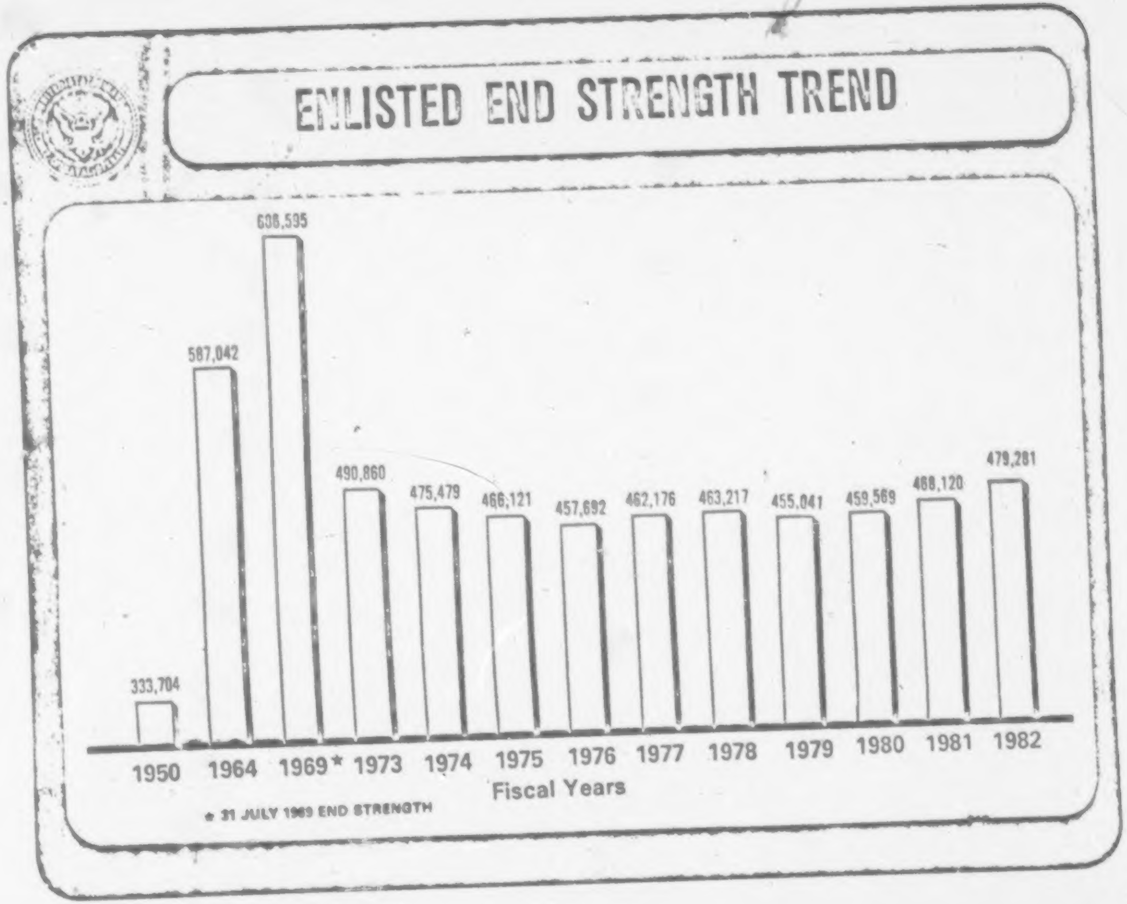
Planned officer strengths for FY 1981 and FY 1982 are 64,811 and 65,894, respectively. End strength in FY 1981 reflects a moderate increase over the FY 1980 strength. Historical end strength trends are displayed on page 9.

C. Enlisted

Planned enlisted strength for FY 1982 represents an increase of 11,161 from the currently-planned level for FY 1981. "Top Six" strength (paygrades E-4 through E-9) is expected to increase from 288,234 at the end of FY 1980 to 297,770 at the end of FY 1982. Although I am optimistic regarding the impact of the 1980 compensation improvement, we will still experience significant shortages among experienced supervisory personnel, particularly in sea intensive ratings.

Attaining the planned end strength growth is integral to our ability to both man a growing Navy and maintain the readiness of our current forces. With an increase in force levels, our requirements for highly qualified mid-grade petty officers will continue to grow. The petty officer first class (paygrade E-6) supervisor we will need in 1986 to direct the maintenance of a missile system or propulsion plant is in the Navy today, probably as an E-3 or E-4. Our challenge is to ensure that he and many others like him are still onboard to fill that key supervisory position. Historical end strength trends are displayed on page 10.


NAVY OFFICER STRENGTH
44,641
76,400
86,176
70,340
66,992
65,479
63,518
63,114
62,445
62,189
63,058
64,811
65,894
1950
1964
1969*
1973
1974
1975
1976
1977
1978
1979
1980
1981
1982
Fiscal Years
* 31 JULY 1969 END STRENGTH


ENLISTED END STRENGTH TREND
333,704
587,042
608,595
490,860
475,479
466,121
457,692
462,176
463,217
455,041
459,569
468,120
479,281
1950
1964
1969*
1973
1974
1975
1976
1977
1978
1979
1980
1981
1982
Fiscal Years
* 31 JULY 1969 END STRENGTH

V. Appropriation, Military Personnel, Navy (MPN) Funding Requirements by Budget Activity

A. General

The FY 1982 MPN request is for an appropriation of $9,241,000,000 in new obligational authority. This is a net increase of $435.6 million from the current FY 1981 funding requirement. The largest single element of the increase is $145.6 million attributable to the manpower increase. Inflation, equating to $73.4 million of the increase, has been included for enlisted subsistence, clothing, permanent change of station travel, and temporary lodging allowance. Details of other cost increases and decreases are provided in the MPN Budget Request. The chart on the following page reflects funds requested for all six budget activities, as well as the percent of each to the total program.

MILITARY PERSONNEL, NAVY DOLLARS ($000) BY BUDGET ACTIVITY

BUDGET ACTIVITY	FY 1981	%	FY 1982	%	FY 81-82
PAY AND ALLOWANCES - OFFICERS	1,996,086	22.7	2,039,722	22.1	+43,636
PAY AND ALLOWANCES - ENLISTED	5,675,029	64.4	5,883,863	63.6	+208,834
PAY AND ALLOWANCES - MIDSHIPMEN	28,996	.3	29,593	.3	+597
SUBSISTENCE OF ENLISTED PERSONNEL	573,741	6.5	617,046	6.7	+43,305
PERMANENT CHANGE OF STATION TRAVEL	526,764	6.0	665,900	7.2	+139,136
OTHER MILITARY PERSONNEL COSTS	4,834	.1	4,876	.1	+42
TOTAL DIRECT PROGRAM	8,805,450	100%	9,241,000	100%	+435,550
REIMBURSABLES	83,000		84,000		+1,000
TOTAL FINANCIAL PROGRAM	8,888,450		9,325,000		+436,550

VI. Personnel Readiness

A. General

Our number one readiness shortcoming continues to be the shortage of skilled personnel. In its most basic form, the essence of this shortfall is the impact it has on the capability of our Navy ships and aircraft to fight and win in a combat environment. Whether for lack of adequate numbers, specific skills, or experience, when a commander is deprived of the manpower resource required, he enters combat at a severe disadvantage.

We have observed some adverse trends in our force readiness over the past decade. In the years immediately following Vietnam, eroded material condition accounted for the bulk of readiness degradations. Exceptional steps were taken and this trend was reversed. Today, however, readiness degradation attributable to personnel shortfalls has become the most serious concern.

The impact of personnel shortages on fleet readiness has forced us to resort to personnel management actions analogous to the steps we took to improve the fleet's material condition during the post-Vietnam years. Actions targeted toward enhancing our manning at sea include:

- Extending sea tours for numerous personnel.
- Concentration of critical skills in deploying units.
- Shortening shore tours by 3-6 months for 12 ratings.
- Allowing commanding officers to operationally hold personnel in critical rates who are scheduled for transfer if no

relief provided.

- Termination of early release to attend school programs.
- Assignment of all male seamen, firemen and airmen directly to sea from initial training with the exception that a select number will be assigned ashore to critical support billets such as Ship Intermediate Maintenance Activities and other special activities on a controlled basis.

These steps, although necessary in the short term, can, and in many cases do, contribute to, rather than alleviate, our retention problem.

B. Manning Shortfalls

1. Enlisted

In spite of our optimism about reversing declining retention trends, we anticipate facing a continuation of the substantial shortage of mid-grade petty officers (E-5 and E-6). Our anticipated retention success will only enable us to keep pace with a growing requirement for this critical segment of our force. Although quantitatively this shortage has existed for several years, its impact has become acute in recent years as the balance of experience in the force has shifted. Essentially, we have a much more junior and less experienced force today than we did in 1976 when we had similar numeric shortages.

For example, the average experience level of our top-5 enlisted force (paygrade E-5 to E-9) has declined from 12.1 years in 1976 to 11.2 years in 1980. This decline equates to a loss of ten percent of the 1976 experience base. The table below displays the shift in the population of the careerist force from FY 1974 to FY 1980. While the total careerist force has remained relatively constant, the senior careerist force has declined precipitously.

Enlisted Career Force Experience Decline

	FY 1974	FY 1980	△
Total Careerist (Length of Service 5-31)	193.8K	193.1K	-.7K
Junior Careerist(Length of Service 5-10)	82.8K	105.4K	+22.6K
Senior Careerist(Length of Service 11-31)	111.0K	87.7K	-23.3K

I am particularly concerned about our continued shortages in electronics, propulsion, and nuclear-trained ratings. Despite adequate overall quantitative manning, these shortages of technical and supervisory skills impair the capability for sustained operations and impact adversely on day to day fleet readiness. In addition, the nature of the petty officer shortfall has had a serious impact on the Navy's ability to train in schools and on the job. Combined with the increasing need for technological knowledge, the limitations such shortfalls impose on our training today could exact a high cost on the quality of tomorrow's critical petty officers.

2. Officer

While requirement shortfalls within the officer corps have not, as yet, had a major impact on fleet readiness, shortages do exist. The URL mid-grade (O-3 through O-5) officer shortage we are now experiencing is approximately 3,000 officers, a 13% shortfall to billets authorized. Acute shortages in the nuclear submarine community have mandated difficult management actions with disturbing long term implications. For example, we have a deficit of over 1,000 officers in grades corresponding to commanding officer and below. This requires most nuclear submarine officers to spend 15 of their first 18 years at sea. Currently, about 90% of this group are serving at sea.

Although not as severe, many of the same problems exist in the aviation community. We are 25%, or about 2,500 officers, short of filling all the authorized pilot billets for commanders and below. With the anticipated expansion of commercial aviation hiring late in CY 1981 and a further increase projected during 1982-1985, we must take action now. I consider it essential that we begin payment of the Aviation Continuation Bonus as soon as possible. Our studies project that our aviation inventory will increase by about 600 officers by the end of FY 1982 as a result of the bonus.

3. Defense Officer Personnel Management Act

By its passage of the Defense Officer Personnel Management Act, the 96th Congress enacted an immensely significant piece of personnel management legislation. The bill was the result of many years of coordinated effort by the services and Congress. It provides a standardized framework for the appointment, promotion, separation and retirement of our officer corps - a management tool previously lacking.

During a careful review of the legislation following enactment, we and the other services have discovered several provisions which will impact adversely on our ability to smoothly transition to the new law which becomes effective September 15, 1981. I anticipate that a joint legislation package containing these proposed corrections will be forwarded to the Congress in the near future. Your support for rapid action on this proposal is solicited.

C. Recruiting

1. General

Recruiting for the All Volunteer Force will continue to be a difficult and demanding task. Competition for competent, motivated and trainable personnel remains keen and will intensify as the pool of enlistment age young men decreases in the eighties. It is with an appreciation for the dedication and hard work of our Navy recruiters that I report that for the first time since FY 1976, Navy attained its enlisted recruiting goal. I attribute this success to a combination of factors, including: the outstanding performance of our recruiting force; an increase in recruiting assets; the revised recruiting policy implemented in the fall of 1979 which resulted in increased recruiter production; the prospect of increased compensation; and the depressed economic conditions prevailing during 1980.

I am cautiously optimistic that we can sustain this momentum and achieve our accession goal for FY 1981, which will require about 7,000 more accessions than in FY 1980. However, if economic conditions improve and civilian employment opportunities expand, we once again will be put at a disadvantage.

Moreover, I am also concerned that the steadily increasing costs for applicant travel, vehicles, fuel and advertising, which are escalating at a far greater rate than budgeted inflation, will constrain our recruiting program. In summary, I see no easy answer to the recruiting challenge. To attract the future sailor-technicians our Navy of the eighties will require mandates that we be competitive with civilian industry. In our society, being competitive means that we must offer a compensation package sufficiently attractive to ensure that we get our fair share of the manpower pool.

2. Enlisted Recruiting

In FY 1980, Navy attained its enlisted goal of 99,299 with an accession total of 99,351 recruits for 100.1%. This is an increase of 11,006 accessions (12.5%) over FY 1979. Included in this increase were 9,314 more upper mental group personnel, 4,144 more high school diploma graduates, and 2,909 more prior service personnel than in FY 1979. The increase in prior service personnel is particularly encouraging, as this group is potentially a source of experience that can be applied directly against our petty officer shortage.

Another plus for enlisted recruiting has been the success resulting from our major policy change in October 1979 when we streamlined our system and selected a policy which ensures that at least 74% of accessions will be Mental Group III Upper or above. The policy provides greater management flexibility in a changing recruiting market. This flexibility permits us to maintain our quality standards, increase our accessions and better match recruits to requirements.

The table on the following page summarizes our recruiting performance in terms of quality and quantity from FY 1973 through the present.

ONE NAVY ENLISTED RECRUITING

QUANTITATIVE RESULTS

	FY-73(1)	FY-74(2)	FY-75	FY-76	FY-77	FY-78	FY-79	FY-80(3)	FY-81(1st Qtr)
GOAL	138,522	106,028	112,130	[illegible],325	116,314	94,735	93,390	99,299	22,782
ATTAINED	126,374	101,907	113,027	103,587	111,557	89,009	88,345	99,351	23,416
PERCENT ATTAINED	91.2	96.1	100.3	100.3	95.9	94.0	94.6	100.1	102.8

QUALITATIVE RESULTS

HSG (4)	69.0%	66.6%	74.9%	84.1%	79.6%	83.3%	84.0%	83.6%	85.5%
HSDG (5)	NA	61.5%	70.4%	76.5%	72.6%	77.1%	77.4%	74.8%	74.9%
SE (6)	76.2%	81.5%	82.4%	88.0%	83.2%	87.4%	86.5%	87.3%	88.0%

NOTES:

(1) Goal and attained figures include non-prior service USN males and prior service female only. In April 1973 Navy assumed recruiting responsibility for all active duty enlisted programs, reserve as well as Regular Navy.

(2) FY 1974 was the first full fiscal year without a draft.

(3) Revised recruiting policy implemented. Non-prior service male accessions to be 74% Mental Group I, II, III, and IIIU vice 76% HSDG.

(4) High School Graduates (HSG) include diploma graduates (HSDG) and those personnel who validated a high school education as a result of testing or have completed an accredited home study high school course.

(5) FY 1974 HSDG percentage is based solely on USN non-prior service active duty male accessions. Subsequent years are based on all non-prior service active duty accessions.

(6) School eligible.

3. Officer Recruiting

Officer recruiting improved markedly in FY 1980 with an increase of 523 officer accessions over FY 1979. With more emphasis focused on officer recruiting than in previous years, coupled with a lagging economy, Navy achieved 90% (3,789 of 4,233) of its officer goals in 1980. However, our degree of success varied widely among specific programs, as can be seen in the following table.

MAJOR OFFICER PROGRAM ATTAINMENT
FY 1980

PROGRAM	GOAL	ATTN	PERCENT
Nuclear Propulsion Officer Candidate (NUPOC)	263	115	44
Nuclear Power Instructor	61	19	31
Civil Engineer Corps	82	65	79
Aviation Officer Candidate	245	238	97
Naval Flight Officer Candidate	410	419	102
Surface Warfare Officer	1022	926	91
Supply Officer	363	327	90
Women Officer (1105)	390	408	105
Physicians	234	180	77
Nurses	286	286	100

TOTAL OFFICER PROGRAM GOALS/ATTAINMENT

Officer Candidate School	2203	1906	87
Aviation Officer Candidate School	1071	1058	99
Direct Appointments	959	825	86
Total	4233	3789	90

Recruitment of highly technical officer designators continued to fall short of goals. Engineering, math and physics majors were in great demand throughout the job market, as evidenced by the fact that civilian sector salaries for engineers increased approximately 50% between 1979 and 1980. This dramatic increase had its greatest affect on our Nuclear Propulsion Officer Candidate (NUPOC) recruiting program in which we accessed only 115 candidates versus a goal of 263. The NUPOC program is Navy's highest priority officer recruiting program and has received increased emphasis in the form of reprogrammed advertising dollars and dedication of recruiter assets. The prognosis for FY 1981 and the immediate outyears is still not good. An increase in the accession bonus for nuclear submarine candidates, along with the implementation of a college program directed at recruitment of undergraduate students, should help alleviate some of the current problems.

The Nuclear Power Instructor program requires an individual with essentially the same credentials as the NUPOC, but provides no Navy career path or off-setting monetary advantage during the four year contract period. As a result this most difficult to "sell" program accessed only 31% of goal.

We improved markedly in recruiting officers for the Civil Engineer Corps (CEC) in FY 1980 with 39 more individuals recruited than in FY 1979. We expect to attain our goal in FY 1981.

Physician accessions again fell short of goals in FY 1980. Civilian licensed physicians, particularly specialists, do not generally view military service as monetarily rewarding despite the spiraling costs for establishment of a private practice. The Armed Forces Health Professions Scholarship program should provide relief in the outyears.

Minority officer accession goals also were not met in FY 1980. For example, we accessed only 156 of our goal of 211 for blacks and 55 of our 75 goal for hispanics. The competition is especially keen in the highly technical, engineering-oriented fields such as Submarine, Aviation, and CEC. Increased recruiting emphasis has been applied toward meeting our minority objectives in FY 1981, but meeting these objectives will be difficult.

In addition to the programs mentioned above, we are concerned over possible FY 1981 shortfalls in the Aviation Officer Candidate and Naval Flight Officer Candidate programs. Significant goal increases in these programs coupled with increased emphasis on NUPOC recruiting resulted in projected mid-year student shortfalls at the Naval Aviation Schools Command. These shortfalls may be difficult to make up at end-year due to class loading limitations.

Overall officer recruiting has shown steady improvement since FY 1976. This trend is expected to continue. The improvement in pay and benefits enacted during the past year should favorably influence officer recruiting.

D. Retention

1. General

Retention of our mid-grade petty officers and line officers continues to be our most serious personnel problem. I would like to briefly outline the impact that unsatisfactory retention rates, particularly of those personnel in their first or second enlistment, have on areas such as training, recruiting and readiness.

When we lose a petty officer first class (paygrade E-6), we lose approximately 11 years of training and experience which cannot be immediately replaced. Other than convincing a Navy veteran with equivalent background to return to active duty, an alternative which we vigorously pursue, the replacement must be grown from our inventory. Since only a small percentage of recruits will continue on to become an E-6, this leads to additional accessions at the recruit entry level. The need for increased accessions then must be met by additional recruiters. We have learned from experience that successful recruiting requires assigning our highest quality petty officers and officers to the task. This results in a reduction of quality personnel available to fleet units. In a similar manner, additional money and manpower must be directed to providing basic and specialized training for the increased number of recruits. This serves as another drain on an already stretched thin resource. Ultimately we approach the situation where our shortages beget new shortages which cannot help but show up as a serious readiness degradation. Improved retention is the only solution to breaking out of this debilitating spiral.

2. Enlisted Retention

Our success in enlisted retention for FY 1980 varied by term of service. The first term reenlistment rate was 36.7%, down from 37.5% in FY 1979. Second term reenlistment rate showed a modest rise from 45.3% in FY 1979 to 50.5% in FY 1980. With respect to those third term and beyond personnel, the retention rate rose slightly from 91.4% to 91.6% in FY 1980.

Although I am encouraged by the upturn in second term rates, our actual number of reenlistments was still about 3,000 below our goal of 14,500. I attribute the second term increase to fleet expectations of compensation improvements and the general slowdown in economic conditions. As can be seen below, in FY 1980 we were still a long way from reaching the first and second term rate required to adequately man the fleet.

	FY-77	FY-78	FY-79	FY-80	Steady State Requirement
First Term	36.9%	40.3%	37.5%	36.7%	45.0%
Second Term	53.4%	47.3%	45.3%	50.5%	60.0%
Third Term & Beyond	93.0%	92.0%	91.4%	91.6%	95.0%

In addition to our concern with overall reenlistment rates, there are severe retention problems in specific skill areas. For example, at the first reenlistment point we have attained less than 75% of our retention goal in 41 of 85 ratings and at the second reenlistment point we were deficient in 38 of these ratings. It is with guarded optimism that I report increases in our retention rates thus far in FY 1981. Our cumulative rates for the first quarter of FY 1981 are running solidly ahead of previous years. However, these rates are inflated to a degree by a large number of personnel who waited until FY 1981 to reenlist in order to take advantage of the compensation increases effective October 1, 1980.

	1st Qtr FY 81 vs	Average 1st Qtr FY's 80, 79, 78
First Term	45.6%	37.3%
Second Term	59.9%	50.2%
Third Term	93.5%	93.2%

There is little doubt that the major factor in our increased reenlistments is the immediate positive response to the compensation improvements of 1980. Even discounting the delayed reenlistments, the statistics represent at least a temporary arresting of our petty officer exodus. I stress the term "temporary" because it will be several months before we can fully evaluate the longer term trend.

3. Officer Retention

Poor retention of mid-level officers in key communities continues to be our most serious problem. Ideally, we need to retain 60% of our Unrestricted Line officers. As evidenced by the table below we are retaining far less in the primary warfare communities.

	FY-78	FY-79	FY-80	Required
Surface Warfare	38%	31%	39%	60%
Pilot	46%	31%	30%	60%
Nuclear Submarine	38%	42%	36%	60%

Our retention rates essentially represent the continuation rate at a point which has historically been the initial career decision point. Also of grave concern has been the increase in officer resignation activity from the seventh through the eleventh years of service, a group who previously could be counted on for a career. Based upon the latest retention data, approximately 50% of the officers remaining at the seventh year of service leave the Navy by the end of the eleventh year of service. These officers are our ship and squadron department heads. I am optimistic that the recently enacted legislation providing Sea Pay for officers, increased Submarine Duty Career Pay, and increased Aviation Career Incentive Pay supplemented by the new Aviation Continuation bonus will, when implemented, reverse these trends.

Our nuclear submarine and aviation communities have been hardest hit by low retention. As mentioned previously, because of the declining community size, nuclear submariners spend an inordinate number of years at sea. That is a grim picture for a young officer with a family who is contemplating a career in the submarine service. Not surprisingly, our officer resignation surveys have labeled "family separation" as the primary reason for resignation among this group of officers.

Pilot retention has declined steadily from a high of 62% in FY 1977 to 30% in FY 1980. Here compensation issues rank as the primary reason for the exodus of this exceptionally expensive resource with "family separation" in second place.

Although it is encouraging to report that Surface Warfare officer retention rates increased last year, we are still experiencing a shortage of officers in this community. Until this shortfall is eliminated, we have potential for the inordinate sea duty/decreased retention situation that we have experienced with the submariners.

E. Attrition/Desertion Trends

For the third consecutive year, first term attrition continued to decline from 10.2% in FY 1979 to 9.3% in FY 1980. This improvement represented about 2,400 more individuals on active duty; this is not only a current manning asset, but also a step toward easing future demands.

The desertion rate also declined in FY 1980 for the third consecutive year, but we believe that the rate of 27 incidents per 1,000 enlisted is still unacceptably high. In FY 1980 there was an eleven percent improvement over FY 1979 and a thirteen percent improvement over FY 1978, which is an indication that recent efforts to correct the desertion problem are starting to take effect.

F. Legislation

In 1980, the Congress enacted over two dozen important improvements in the military compensation system. These measures provided the most significant structural improvements in military compensation in several decades and were a major first step toward correcting a retention situation which had reached crisis proportions.

These improvements are appreciated and should somewhat ease the financial hardships suffered by our service personnel and their families. Although it is too early to tell what the total effect of these improvements will be, we have begun to see higher retention and better morale throughout the fleet. I hasten to add, however, that significant improvements in military compensation are still necessary if we expect to achieve long term relief from our manning problems. I believe it is absolutely essential that the momentum of these compensation initiatives be maintained.

1. Military Pay

Despite the advances of last year, military pay is still not competitive with private sector wages. These advances were primarily directed toward rectifying documented shortcomings in specific elements of the pay system. They did not overcome the serious deterioration which has occurred since inception of the AVF in the central core of our system --- that of basic pay which is the only element all military members receive. While the 11.7% pay raise was significant, it still fell short of both inflation and the amount recommended by the President's pay agent. If we are to recruit and retain sufficient personnel to overcome our shortfalls, we must regain a competitive position in the marketplace. Unlike the civilian sector, we do not find people standing in line to apply for a job in the military. Recruitment of adequate numbers and quality is a tooth and nail effort. Likewise we continue to lose experienced career personnel who find that the job market on the outside is more monetarily attractive. To regain this position, a substantial real pay raise is required to restore military pay to the competitive level envisioned at the inception of the AVF. Additionally, some of our special pays, which are designed as an incentive to serve in unusually difficult and hazardous occupations, have not been adjusted in 25 years and should be returned to meaningful levels. For example, a Chief Petty Officer involved in explosive ordnance disposal receives only an additional $55 per month, the same amount paid in 1955. Once a competitive position is attained, it must be sustained so that the downward spiral of eroding pay and falling retention does not begin anew. Even with improved compensation, it will be several years before we restore the health of our manpower; we cannot afford to let the situation occur again wherein we have a mass exodus of personnel who leave the service for better paying jobs.

2. Education Incentives

Under current law, all entitlement to use Vietnam era G. I. Gill benefits will terminate on December 31, 1989. This provision is having an increasingly negative affect on retention --- one that will reach its peak in the mid 1980's as service members leave active duty to use their full benefits prior to the termination date. In fact, 41 percent of third term personnel recently leaving the Navy rank "to keep from losing my G. I. Bill benefits" as one of the most important factors in their separation decision. The expiration date is not only costly to the service in terms of the lost knowledge and experience possessed by those who separate early, but it unduly penalizes those who choose to serve their country in a military career and will, therefore, be deprived of their earned entitlements. I urge your support for initiatives to extend this termination date.

At the end of this year, the Veterans Educational

Assistance Program (VEAP) which was instituted in 1976 will automatically terminate. Thus far, several bills have been introduced in the 97th Congress which would establish a comprehensive educational benefits program to replace VEAP. I feel strongly that those who serve their country should be afforded high priority in terms of their participation in federally funded educational assistance programs. We are vitally interested in new educational benefits legislation and urge your support for a new program which includes incentives for retention as well as recruitment.

3. Dependent Dental Care

Legislation was introduced in the 96th Congress to include dependent dental care as an element of the CHAMPUS program. The addition of this benefit would not only lessen the financial burden on military personnel, especially in the lower grades, if they seek dental services for their dependents, but would enhance the recruitment and retention of personnel in an AVF environment. We urge that a dental CHAMPUS program receive favorable consideration during this session of Congress.

4. Travel Expenses

Although the 96th Congress enacted legislation that permitted us to make significant improvement in the funding of temporary and permanent change of station travel, we are still not adequately reimbursing our people for the costs they incur. For example, the mileage allowance remains insufficient to cover the cost of vehicle operation, meals and lodging. Per diem is not adequate to pay subsistence and shelter costs. Additionally, the dislocation allowance, intended to offset temporary living costs associated with a change of duty station, is inadequate.

The General Accounting Office has recently recommended the realignment of military and civilian travel reimbursement. GAO's study indicated that a military E-6 with a family of four traveling 600 miles receives $450 for the move compared to a GS-7's potential to receive $4,139 for the same move. Since permanent change of station moves are ordered for the benefit of the service and not the individual, it is an injustice to require the service member to lose money and thus personally subsidize the government's cost of doing business. We urge support for correction of this inequity.

G. Women in the Navy

1. Career Opportunities

Expanding career opportunities continue to characterize the status of women in the Navy. Only 15 of the Navy's ratings are closed to women --- thirteen due to combat orientation and two in order to maintain acceptable sea/shore rotation for men. Within the officer community, women officers are represented in all unrestricted and restricted line and staff corps communities with the exception of Submarine and Special Warfare, which are excluded because of their combat relationship. FY 1980 was the first year women were eligible for service as Limited Duty Officers and seven were selected. Also during FY

1980, the first women graduated from the U. S. Naval Academy and in Naval Aviation, where we have had female pilots since 1974, the first women began training as Naval Flight Officers.

2. Assignment of Women to Shipboard and Aviation Duty

At the end of FY 1980, 120 women officers (URL, RL and staff corps) were assigned to duty in 27 non-combatant ships and 694 enlisted women were aboard 10 of those same ships. By the end of FY 1981, 161 women officers will be aboard 28 ships with 1,502 enlisted women assigned to 16 of these same ships. Without question, the women in ships program has been an impressive success. Women are routinely performing in traditional and non-traditional areas with skill, confidence and dedication. As an example, 20 women have qualified as Surface Warfare Officers.

Women are also active within Naval Aviation where they are assigned to support and training squadrons and to support billets in shorebased aircraft squadrons when such assignment would not require them to participate as crew members in combatant aircraft missions. As of the end of FY 1980, 15% of all enlisted women were in aviation ratings with additional women performing general detail aviation duties. A total of 39 women officers were pilots, with 12 in jets, 22 in propellor aircraft and 5 in helicopters; 17 women were pilot trainees. Also during FY 1980, two women began training as Naval Flight Officers. Within the constraints of law, the career path of women officers in aviation parallels that of males.

3. End Strength Increases

Female enlisted end strength increased in FY 1980 from 5.4% of the total Navy force to 6.5%. Also, during FY 1980, the inventory of women officers, as a percentage of total officers, rose from 7.0% to 7.7%. Continued end strength increases in women officers and enlisted personnel are planned in keeping with the total officer and enlisted strength planning. Our analysis indicates that the Navy can continue to accommodate some increase in women's numbers without negative impact on sea/shore rotation for men.

FEMALE END STRENGTH

	FY 1979	FY 1980	FY 1981	FY 1982
Officer	4,258	4,877	5,117	5,465
Enlisted	24,751	29,806	35,423	39,349

VII. Personnel Development Programs

A. Human Resource Management Support System

1. General

In a time of austere manning, it is imperative that our men and women perform to the utmost of their abilities. Our leaders must be aware of change and become more able as leaders and managers. The Human Resource Management System provides assistance to improve both organizational and individual effectiveness through specific programs in the areas of Leadership and Management Training, Drug and Alcohol Abuse Education and Rehabilitation, and Equal Opportunity.

2. Leadership and Management Education Training (LMET)

This formal two-week course is specifically designed to improve leadership and management competence. It focuses on developing skills to confront the problems of retention, attrition, productivity and crisis management. Since its inception in 1978, 18,300 Navy men and women have received this training. Graduates will increase from 13,000 in FY 1980 to approximately 30,000 in FY 1983. Included in the FY 1980 attendees were all prospective commanding officers and executive officers and those officers assigned to head-of-department billets in fleet units. Petty officer first class (E-6) and senior enlisted personnel enroute to fleet billets also attended. In FY 1981 the program expands to cover all petty officer second class (E-5) enroute to fleet billets. Additionally, those officers assigned to Naval Academy or NROTC instructor billets will receive LMET. Feedback from fleet commanders on the performance of their LMET graduates has been positive. A formal evaluation of our LMET program, with particular emphasis on its impact on readiness, is scheduled for this fiscal year.

3. Human Resource Management Centers

The Human Resource Management Centers (HRMC) provide a variety of leadership and management oriented consulting services to assist unit commanding officers in their efforts to improve operational readiness and organizational effectiveness. The Navy Personnel Research and Development Center (NPRDC) in its evaluation of the HRMC reports that commands which have received HRMC assistance experienced a significant improvement in retention during the time which the HRMC service was provided. The report concludes that ships utilizing HRMC assistance also experience significant increases in readiness. Commanding officers report that HRM activities have a positive influence on leadership and management with strong affects also reported on productivity of work groups, communications, morale, job satisfaction, and team work. Substantial improvements are also reported in the areas of equal opportunity and drug and alcohol abuse prevention.

4. Alcohol Abuse

The critical Navy manpower shortfall mandates that we make strong efforts to rehabilitate and retain Navy members identified with problems of alcohol abuse and alcoholism. We estimate that approximately 12% of all Navy personnel in grades E1-E5 are alcohol dependent. This percentage is consistent with the prevalence of alcohol abuse in American society at-large.

The effectiveness of Navy alcohol rehabilitation for career members age 26 and older is 82% over the long term (measured three years later by the member's continuing eligibility for promotion and/or reenlistment). A total of 12,623 personnel were treated for alcoholism or serious alcohol abuse on either an inpatient or outpatient basis during fiscal year 1980. In addition, the Navy Alcohol Safety Action Program (NASAP) -- our primary alcohol abuse prevention program -- now reaches an average of 2,200 individuals per month who have had behavioral problems as a result of drinking. Our follow-up surveys indicate that over 90% of those who complete the 36-hour NASAP course -- and they must attend during their own off-duty time -- do not become disciplinary repeaters due to alcohol abuse. This program has been so successful that a similar program is now being instituted to help "salvage" the large number of young drug abusers referred by their commanding officers for remedial action short of inpatient treatment. Initial results are highly encouraging, indicating that a majority of these young people can be turned around and motivated to do their jobs in a highly satisfactory manner without drugs.

5. Drug Abuse

Drug abuse in the Navy is most prevalent among personnel in the 18-25 year age group and is also a direct reflection of its prevalence among this group's civilian contemporaries. In FY 1980, 13,131 Navy personnel were identified as drug abusers. Of this group, more than 70% subsequently completed their enlistment. Results of a recent DOD survey, which indicates that drug abuse is more prevalent among Navy personnel than among their Army and Air Force contemporaries are disturbing. We are attacking this problem from several angles, including increased use of abuser identification programs.

6. Equal Opportunity (EO)

The Navy is deeply committed to a strong equal opportunity program not only because it is the right thing to do and improves human relations, but because there is a practical and economic aspect as well. To maintain military leadership in the world, it is imperative that our Navy be ready to perform at the absolute limit of potential. This means that leaders must develop and maintain an environment in which all Navy persons can contribute to the maximum extent of their capability. Denial of equal opportunity limits the full professional development of those against whom we discriminate. Therefore, their full capabilities are not available to the organization and Navy readiness suffers. The Navy has progressed a considerable distance since the racial conflicts of 1972 because of a strong dedication to the principle of equal opportunity and the unique program developed in support of this principle. Achievement of the Navy EO goals is being aided by the updating of the Navy Affirmative Action Plan, which expires at the end of FY 1981. The group commissioned to update the Navy Affirmative Action Plan will be led by a flag officer to ensure the support and necessary expertise is provided for a program of such importance.

B. Quality of Life - Direct Link to Retention

An increasingly important element in our Navy men and women's career decision is their perception of the quality of life they and their families will enjoy in the years ahead. If perceived as good, the potential for retention is enhanced. Conversely, a perception of poor quality of life may influence service members to try a civilian career. Equally important as what they see around them is their perception of what the Navy is doing to improve living and working environments for them and their dependents.

In FY 1982 we have allocated about $700 million to support the several areas designed to improve the quality of life of the

Navy service member and increase petty officer retention. Several of the more significant aspects are described as follows:

1. Family Service Centers

The Navy has long recognized the importance of its families. Approximately 55% of our 540,000 Navy service members are married and have close to 600,000 primary dependents. Among Navy personnel generally thought to be career-oriented, that is mid-level and more senior enlisted and officers, over 80% are married. These figures serve as a strong indicator that the Navy tends to initially enlist a single person, and to reenlist a married one. When one addresses retention, family needs are therefore a central consideration.

The Navy's interest in providing support services to its families has led to the concept of the Navy Family Service Center as a service provider and focal point for coordinating existing Navy family support/assistance programs. Present plans call for the establishment of a total of 62 Family Service Centers throughout the Navy worldwide. By the end of FY 1981, eight Centers will be on line, with fourteen more scheduled for FY 1982. Staffing at all Family Service Centers will be a combination of military and civilian personnel.

Each Family Service Center will vary its services depending on the needs of the local population, as well as on the existing military and civilian services. In general, however, all Centers will have three broad, major objectives: to coordinate existing family-related resources (both military and civilian), to serve as an information, referral and follow-up system, and to provide direct assistance in selected areas.

One very clear indication of the need for such services by Navy personnel are the number of contacts, i.e., services performed by Social Workers and information and referral calls, recorded by the Family Service Center in Norfolk. During one eight month period, between July 1979 and April 1980, approximately 6,500 separate requests for assistance were handled by this one Center. This figure is considered to be just the tip-of-the-iceberg.

2. Child Care Centers

In the last few years, the demand for child care services for infants, preschool and school age children of Navy families has increased dramatically. The availability of these services eases many of the problems incurred by the growing number of Navy parents who are single, both working or with other special needs. Commencing in FY 1981 and continuing in FY 1982 and the outyears, we have programmed an increase in appropriated funding to upgrade the present 71 existing facilities and to hire at least one professional director for each center. The upgrading process involves bringing the structures, a majority of which are of World War II vintage, up to acceptable health, fire and safety standards. Funds have also been programmed to construct new centers where the old ones are beyond repair or where centers do not presently exist to meet the demand for child care services.

3. Unaccompanied Personnel Housing (UPH)

The FY 1982 budget request includes a quarters improvement effort which will clearly demonstrate the Navy's concern for the well-being of our unaccompanied personnel. The FY 1982 program combines new construction, upgrade of existing facilities and replacement/repair of equipment and furnishings. There is a current deficit of some 55,000 UPH spaces, the significant reduction of which continues to be one of the Chief of Naval Operations' major goals. A five fold program increase over FY 1976-1980 spending levels, which averaged $25.6M per year, will begin in FY 1982. The FY 1982 program of $166M to design, construct, and furnish new billeting facilities will provide approximately 8,400 adequate UPH spaces. Construction emphasis is being placed on off-ship accommodations for crew members whose ships are considered uninhabitable, geographic areas where off-base housing is in critical shortage or very costly, and berthing in support of critical fleet training needs. There also is a $500M outstanding requirement to upgrade unaccompanied enlisted personnel housing (UEPH) for transients. Some $40M has been earmarked for the FY 1982 UPH upgrade program which will provide furniture, furnishings and minor repair to selected unaccompanied personnel housing facilities that experience a high occupant turnover. Military construction, in combination with programs such as the FY 1982 UEPH upgrade, will make a significant improvement in the "Quality of Life" of the unaccompanied sailor.

4. Morale, Welfare and Recreation (MWR)

We are continuing our emphasis on MWR programs as a complement to compensation initiatives. MWR programs provide a positive impact on personnel readiness and retention as an integral contributing element to the quality of Navy life.

Navy has traditionally lagged far behind Air Force and Army in the use of appropriated funds for the recreation element of MWR programs. Currently, our sailors' recreation program is receiving about half the level of appropriated support, on a per capita basis, as that received by the Army and Air Force programs. Recognizing that the condition and scope of its overall MWR facilities and services directly affect retention, an increase in appropriated resources for MWR of $18M has been programmed for FY 1981 with an additional $24M programmed for FY 1982. The preponderance of these funds will be used directly in the recreation element of MWR to upgrade athletic, entertainment, and child care facilities and services. Priority will be given to overseas and isolated locations.

5. Religious and Spiritual Support Activities

The wisdom and value of providing adequate resources for spiritual support to Navy men and women and their families has long been recognized. Spiritual strength undergirds the development of maturity, motivation, and high level morale in the lives of our people, which in turn impact upon readiness in the fleet, retention, professionalism, and quality of life. With increased Chaplain billets, Navy is now providing spiritual ministry at a level approaching parity with Army and Air Force. Command religious programs are being strengthened by the contribution of the new Religious Program Specialist rating.

C. Navy Voluntary Education Program

The Navy Campus is our off-duty, voluntary education program. During FY 1980 Navy personnel were offered educational opportunities at all levels from the improvement of basic skills through graduate levels. Participation in voluntary education programs has continued to increase. Since FY 1975 there has been a 68% increase in the number of course enrollments in the tuition aid program. Nearly 56,000 college level courses were taken last year (96% by enlisted personnel). Since FY 1975 there has been a 70% increase in the number of courses offered in the Program for Afloat College Education (PACE), which provides college and vocational courses on board our ships at sea. Last year nearly 1,800 PACE courses were offered with a total enrollment of almost 29,000 seagoing personnel.

Just as significant are the enrollments in the on-duty Basic Skills courses under the Navy Campus High Schools Studies Program. Non-credit courses are provided in English, Reading, Mathematics, and Science. Last year about 1,400 courses were offered with enrollments of 17,500: 816 of these courses, enrolling nearly 10,500, were given aboard our ships. This program continues to grow in FY 1981. Commanding officers are finding that these basic skill courses, offered through Navy Campus, are highly effective in improving performance on duty.

We are currently examining a companion program as a means to upgrade individual skills, where necessary, in reading and math, prior to entering technical training ("A" school). A pilot program at two of our schools involves testing of personnel when they report to technical training to ascertain if they have the reading and math skills for the particular technical course to which they have been assigned. If they do not, we are enrolling them in remedial-type courses designed to give them the necessary minimum academic skills to successfully complete the prescribed training. This program has the potential for greatly reducing attrition and roll-backs at our "A" schools.

In summary, our off-duty voluntary education programs, as well as the on-duty basic skills program, continue to draw more participants. More and more of our personnel are recognizing the need to improve their academic skills, and our commanding officers are recognizing these programs lead to more trainable, productive personnel.

VIII. Military Training Education

A. General

Effective utilization of our training resources is fundamental to increasing fleet readiness. With the shortage of mid and senior grade petty officers -- a fact of life until a more experienced force can be developed -- it is imperative that we maximize the productivity of those trainees reaching the fleet from the various training pipelines. In recognition of this, Navy training commands continue to receive top priority in manning.

Additionally, training, as it contributes to individual skill development, is one of the major reasons people enter the service. If these expectations are not met due to training constraints, we create an atmosphere of disappointment and job dissatisfaction, which adversely affects an individual's reenlistment decision.

B. Recruit Training

Our challenge in recruit training is to provide a smooth transition from civilian to military life. In addition to preparing recruits for the rigors of Navy life, we emphasize the development of a sense of individual responsibility and the importance of discipline, teamwork and pride in the naval service. We are currently undergoing a review of our recruit training curriculum with the objective of providing more emphasis on the military aspects of the training. We believe our current recruit training curriculum is a good one, but hope to make it even better.

C. Specialized Skill Training

With a continuing increase in the technological sophistication of our warfare platforms and weapons systems, there can be no relaxing of the requirement to obtain maximum effectiveness from our specialized training dollars. About 70% of our recruit training graduates attend skill training for duty in a particular rating. Listed below are three initiatives targeted toward improving our specialized training.

- Implementation of the Integrated Training Brigade concept in FY 1980 was a major step towards improving the military atmosphere at our three largest enlisted training sites (San Diego, Great Lakes, and Memphis). This concept, which incorporates side by side military and technical training is intended to provide increased general military training and supervision for the individual student. Although not conclusive, a significant reduction has already been noted in unauthorized absenteeism, nonjudicial punishment cases and base vandalism. Additionally, I have been impressed by increased student motivation and the improving leadership ability displayed by those who have experienced this training approach.

- Beginning 1 October 1980, Seaman and Airman Apprentice training were expanded from 2.4 to 4 weeks. The additional training time allows for increased hands-on-training in the fundamentals related to Seaman and Airman duties. This initiative will improve the initial capability of Seaman and Airman Apprentices who are assigned directly to the fleet and do not attend "A" school.

- Additionally, we have a number of new courses coming on line to support weapons systems entering the fleet in FY 1982. The increases budgeted for FY 1982 will provide us with the resources necessary to maintain an acceptable level of training, enable us to provide quality instruction inside and outside the classroom and permit us to support our new weapons systems with adequately trained personnel.

Finally, the Job Oriented Basic Skills (JOBS) program was developed to provide basic skills and knowledge to assist marginal and sub-qualified service members to successfully complete "A" school. The member will proceed to initial fleet or shore station assignments and, after six to eighteen months, will be given an opportunity to return for JOBS training based on motivation, conduct and job performance.

D. Flight Training

During FY 1980 the Naval Air Training Command instructor billets were manned at nearly 100% with an improvement in the enlisted manning as well. As a result, for the first time in years, the planned pilot training rate (PTR) of 885 was attained. At this point in time, it would appear that the FY 1981 PTR (897), will also be met. In addition, at the start of FY 1981, certain military instructor pilot billets were contracted out. The initial area was the piloting of T-39D aircraft used in Naval Flight Officer training. I am pleased with the excellent performance of our contract pilots. Also, a number of emergency and cockpit simulator training billets throughout the Naval Air Training Command have been contracted out. Additional military instructor functions will be contracted for commencing in FY 1982, including the instrument portion of T-34C primary training and helicopter squadron organizational maintenance.

There is continuing dialogue over consolidation of helicopter training, and once again DOD has directed that consolidation occur in FY 1982. This is reflected in our FY 1982 budget.

E. Professional Development Education

Professional development of naval officers refers to knowledge required in specific warfare fields as well as knowledge acquired to provide the individual with the capability to function in associated technical and managerial areas. To this end, the Navy's Professional Development Education refers both to Professional Military Education offered at intermediate and senior service colleges and to fully-funded graduate education offered at the Naval Postgraduate School and selected civilian institutions. This education is not a blanket benefit; selection for attendance is limited to those officers best qualified by experience and performance (academic and professional) in competition with their peers. The FY 1982 postgraduate school input is 600 officers.

In the area of Professional Military Education, Navy policy is for 30-35% of all URL captains (O-6s) to be graduates of a senior service college (i.e., War College) and 25-35% of URL lieutenant commanders (O-4s) to be graduates of an intermediate service college (i.e., Command and Staff College). For FY 1982, this input is programmed at 150 officers to senior service college and 218 officers to intermediate service college.

Because of the increasingly complex operational and technological environment, the Navy also places significant emphasis on graduate education for selected officers as a prudent long-term investment. This education is provided to officers who fill positions which have been carefully reviewed and determined to require graduate level skills for successful performance. It results in a cadre of officers capable of performing in technical and managerial areas as well as highly specialized warfare fields.

Since 1973, there has been a 35% decline in the graduate education program resulting from Congressional reductions during the appropriations process and from Navy's inability to send more officers to school because of severe middle-grade inventory shortages.

The Professional Development Education program is an essential investment in maintaining the long-term operational, technical, and managerial competency of the Naval Service. We solicit Congress' continued support for this vital program.

IX. Civilian Manpower and Personnel

A. Civilian Manpower

Our civilian end strength estimates are for 292,852 in FY 1981 and 289,863 in FY 1982, or a net decrease of 2,989. However, the decrease does not represent a decline in program capability, but rather a restructuring of contracting out estimates.

The FY 1981 President's Budget assumed that functions performed by a cumulative total of 5,971 positions would prove more cost effective for contractor performance under OMB Circular A-76 procedures. Because of delays in implementing the revised Circular A-76 and because of increased reporting requirements imposed by Section 502 of the FY 1981 Defense Authorization Act, it has not been possible to meet our initial cost study schedule; consequently a total of 3,189 civilian end strength of the 5,971 originally planned for reduction as a result of conversion have been restored in FY 1981. It is anticipated that cost studies of the functions associated with the positions restored for FY 1981, as well as additional functions, will be completed by the end of FY 1982 with the result that the work of about 3,730 positions will be contracted out in that year in addition to the 2,782 to be achieved in FY 1981. To the extent that other unforeseen delays occur, or that functions for which end strength have been deleted prove more cost effective in-house, the Navy will request end strength restorations from the Secretary of Defense.

Major decreases in civilian end strength from FY 1981 to FY 1982 (other than contracting out) include a net decrease of 309 in Military Sealift Command ship manning requirements, and a decrease of 669 positions at Naval Air Rework Facilities (NARFs). I would like to emphasize that the NARF staffing decrease, which results in a total NARF end strength of 22,031, is not the result of ceiling controls but is driven by changes in budgeted NARF workload.

Major increases in civilian end strength from FY 1981 to FY 1982 include 1,022 for Naval Shipyards, including service life extension work on the carrier SARATOGA, 183 positions for quality of life programs to improve military retention, 200 for increased ancillary medical support, 245 positions to perform increased ordnance industrial workload, and 403 positions at fleet operating stations and ship repair facilities for improved base maintenance and ship overhaul, repair, and maintenance. I would note that our major increases are in areas that are directly related to fleet readiness or in quality of life functions which are essential to recruiting and retaining top quality military personnel.

During the past five years the Navy's civilian end strength has decreased by about 16,900. While this constitutes 5.2% of total Navy civilians, it is increasingly difficult to accommodate reductions without severe impact on readiness and quality of life. Over half of our civilians are at Navy Industrial Fund activities, many of which are in direct support of readiness. These include shipyards, air rework facilities, ordnance and strategic weapons industrial activities, air engineering centers, and Military Sealift Command ships. In addition, many of our operation and maintenance activities also provide direct readiness support, such as fleet operating bases, supply activities and ship repair facilities. There are also training and medical facilities which are essential to the skills development and quality of life considerations necessary to provide the quality and quantity of military personnel needed to man the fleet. Collectively, these industrial and non-industrial activities, including a large part of the Navy's research and development activities, account for the majority of Navy's civilians.

The point I want to make through this illustration is that while the Navy's civilians are often viewed as "support" rather than "operations," they are, in fact, the major source of the research and development as well as the maintenance and repair effort needed to provide for continued and future fleet readiness and the day-to-day operation of the vital shorebased support to the fleet.

B. Civilian Grade Structure

The Congress has often expressed concern about civilian grade levels, and has mandated in law specific reductions in the numbers of civilian employees that the Department of Defense may have in grades GS-13 through GS-18 and equivalent. The Navy has been responsive in placing strong emphasis on ensuring that positions are fully justified by the levels of workload and are classified at the appropriate grade. A sound job classification and position management program is the most effective method for validating high grade requirements.

In the past five fiscal years ending September 30, 1980, our GS-13 through GS-18 and equivalent position structure has been reduced from a total of 20,120 (as of June 1975) to 18,032, a decrease of 2,088, or more than 10 percent. More than six percent of this reduction was achieved before the enactment of existing statutory controls, which became effective in FY 1979, and four percent was accomplished thereafter. The following table reflects the reductions taken over the last few years.

HIGH GRADED CIVILIAN POSITIONS - NAVY

End FY	GS 13 - 18 + PL & SES	Cumulative Reduction	Cumulative % Reduction
1976	19,112	-1,008	5.0
1977	18,839	-1,281	6.4
1978	18,361	-1,759	8.7
1979	18,054	-2,066	10.3
1980	18,032	-2,088	10.4

The Navy budget for FY 1982 projects further reductions of 411 high graded positions, in compliance with the statutory mandate. Of course, having already reduced high graded numbers by more than 10%, the Navy believes it has fully complied with the intent of Congress, and should have to take no further reductions. The continuing drawdown of our senior level civilian manpower base will result in reduced opportunities for upward mobility and adversely impact on morale, readiness, and our capability to manage complex programs. The problem is especially acute in the research and technical communities, where high grade constraints make it difficult to attract and retain top quality scientific and engineering personnel

The Navy therefore strongly recommends the removal of the statutory requirement for reductions in high graded civilian positions.

C. Pay for Performance

In the two years since the Civil Service Reform Act (CSRA) became law, Navy has maintained its commitment toward ensuring that CSRA remains a vehicle for improving the way we do business. The Senior Executive Service (SES) and the Merit Pay System (MPS), two major provisions linking pay and performance, are firmly implemented in our personnel management policies and procedures. The Basic Performance Appraisal System (BPAS) is well underway and will be fully implemented by October 1981.

The heart of the Senior Executive Service, which applies to Navy's 450 executive positions, is an objective based performance appraisal and pay system. This year approximately 700 SES members and Flag and General Officers were trained in the system, a board was established to oversee the system and in June 1980, the first appraisal cycle was completed. As a result 70 SES members received salary bonuses for superior accomplishments and 17 received Presidential cash awards.

Paralleling SES as a performance appraisal and pay setting system for GS-13 through GS-15 civilians is the Merit Pay System. It extends the concept of an objective based management system through the entire top management structure. Over 18,000 MPS members and supervisors received training and the first appraisal period will be effective in June 1981 with compensation allocations in October 1981.

The new Basic Performance Appraisal System for the remainder of Navy's civilian employees has been approved and will be fully operational by October 1981. The system was developed using input from a task force representing a cross section of Navy managers. As a result, a design that is simple, flexible and responsive to management's needs was achieved. It is a performance standard based review process which will interface with the Merit Pay System and Senior Executive Service to provide management with a valuable tool to achieve the goal of effective and efficient mission accomplishment. Training of Navy's 270,000 employees covered by BPAS and their supervisors will be a major undertaking. Also, training in SES and MPS will remain a high priority item, since the success of these programs is dependent upon the manager's knowledge of the process.

D. Recruitment and Compensation

Recruiting and then retaining, highly skilled civilian personnel is becoming more and more difficult in the face of a large demand and high salary offers from the private sector. Particularly demanding has been filling our requirements for engineers and scientists. Navy adjusted entry level engineer salaries last year, but this has not solved the problem. Our inability to compete with private industry, where entry level pay nationwide averages about $5,500 higher, has resulted in Navy only attracting about 1,000 of the 2,300 engineers needed. Navy is examining a concept that would establish an entry level recruitment bonus for engineers and other shortage category employees.

E. Pay Cap

An area of major concern affecting Navy's civilian work force is the capping of pay at $50,112.50. This limit affects over 2,000 of our key civilians and is critical, since it serves to reduce the morale and effectiveness of the SES work force. Since the SES system does not provide the protective aspects of the competitive service, the SES member loses job security when passing from GS-15 to SES. Without a salary incentive, many highly qualified persons will be reluctant to accept promotions to SES positions. Additionally, the pay cap reduces the desirability of SES positions to persons employed in the private sector. The effect on recruitment is demonstrated by the fact that 100 of Navy's current 450 SES positions in Navy are vacant. Additionally, a higher than usual number of retirements is expected for FY 1981 indicating that the problem may become more intense. I solicit your support for eliminating the current pay cap.

X. Management Information Support

I believe that Navy manpower, personnel, and training (MPT) managers can do their jobs much more effectively with better management information. The Manpower, Personnel and Training Information Systems (MAPTIS) Program provides centralized management of ADP systems designed to supply information needed by managers who support the needs of the Navy's most valuable asset, its personnel. Our goal in this regard is to minimize staff growth by improving staff managerial efficiency through the provision of timely, quality information which allows detection of developing problems and the application of effective corrective action.

Two major initiatives have been developed to provide improved quality of information support. These are the standardization of automated systems and a balanced mixture of distributed data processing and centralized processing. Distributed processing puts the computer's power in the managers' hands.

Throughout the Navy, emphasis is being placed on the standardization of management information systems to more effectively utilize dwindling numbers of ADP professionals and to improve the information efficiency of these systems. For example, two standard information systems are being developed to collect, process, and provide management information on all Navy military and civilian personnel. These are the Pay and Personnel Administrative Support System/Source Data System (PASS/SDS) and the Navy Automated Civilian Management Information System (NACMIS). These systems will provide MPT managers with single sources of information on Navy personnel and with a more timely and error-free method of reporting information between field activities and headquarters.

Managers in the MAPTIS Program are also developing a balanced mix of centralized and distributed data processing. There is a project underway to design and establish a central consolidated processing site in Cleveland, Ohio, for the Navy's personnel and pay systems. At this site, master files of Navy personnel can be maintained and updated by standardized systems. This will increase effectiveness of scarce ADP maintenance personnel by concentrating them at one location. Concurrently, initiatives are underway to provide managers with necessary information as rapidly as possible. Placement of terminals and small computers in the offices of Navy managers will provide rapid information access, and will reduce the need for additional ADP personnel. The PASS/SDS and NACMIS systems are designed with this balanced mix in mind. Personnel field offices will ultimately be outfitted with equipment not only capable of processing information for field office use, but also capable of data entry to the central site.

I believe that effective and timely management information can make a significant contribution to better command decisions and to more efficient use of manpower resources. I intend to lend my support to the continuing effort to upgrade our management information program.

XI. Reserve Program

A. Selected Reserve (SELRES) Sizing

As the wartime requirements of the active Navy are continually refined, so too are the Selected Reserve requirements. The Navy Manpower Mobilization System (NAMMOS), discussed earlier, is the major management tool that defines and identifies full mobilization manpower requirements. The system development effort in FY 1979 addressed the first 60 days of mobilization. The FY 1980 program generated manpower mobilization requirements, both civilian and military, for an entire 180 day mobilization scenario. NAMMOS has defined the Selected Reserve requirement for FY 1981 as 111,067 with an increased requirement in FY 1982 of 112,740. The FY 1981 program will concentrate in detail on selected categories in order to more accurately define requirements in depth. The system facilitates decision making on structuring and integrating mobilization requirements from all sources (i.e., active military, civilian, Individual Ready Reserve, Selected Reserve, Retired Military, etc.).

Due to affordability, it has not been possible for the Selected Reserve to grow to more closely meet our requirements. Since FY 1978, the SELRES strength has been stable at approximately 87,000. The budget request for FY 1982 is for an end strength of 87,559, which includes 351 personnel in a newly-defined Individual Mobilization Augmentee (IMA) program and 208 of the Reserve personnel on full-time active duty to support the Naval Reserve. Based on the current strength and our ability to maintain a SELRES at or near the authorized level for two years, it is reasonable to assume that 87,000 SELRES can be maintained for FY 1982. Given authorization and sufficient lead time, it would also be possible to make modest increases in the number of SELRES.

B. Reserve Training

Naval Reservists receive extensive up-to-date training during regular drill periods and during two weeks of Active Duty for Training (ACDUTRA) each year. Formal training includes Navy school training quotas, aircraft and ship simulator training, technical schools, etc. On-the-job training is conducted regularly through ship and aircraft operations.

The Air arm of the Naval Reserve, consisting of approximately 20,000 personnel and 400 aircraft, conducts training at 22 sites throughout the nation. Aircrew flight training, maintenance training, and warfare specialty training is conducted in Reserve Force Squadrons and Augment Units at these 22 sites and during unit deployments to fleet training sites. All training is oriented toward the ultimate goal of mobilization readiness. The readiness training posture is measured through analysis of results from mutual Fleet/Reserve exercises and Operational Readiness

Evaluations. Many beneficial support services accrue to the active fleet as a result of joint Active/Reserve mobilization readiness training exercises.

During FY 1981, the training of personnel assigned to the balance of the Naval Reserve (referred to as the Surface Reserve) will be conducted at 237 sites throughout the United States and at the homeports of and on board the 45 ships assigned to the Naval Reserve Force (NRF). The modernization of the NRF continues during FY 1981 with the addition of one Amphibious Cargo Ship (LKA) and two Tank Landing Ships (LSTs). Eight of the 35 year old FRAM DDs will be retired during FY 1981 and an additional four will be retired and replaced by four newer 1052 Class Frigates during FY 1982. This action is a part of the comprehensive Convoy Escort concept for the Naval Reserve which was recently approved by the Chief of Naval Operations and endorsed in the Appropriations Committee Report adopted by the Congress for FY 1981. A detailed implementation plan for this concept will be submitted to the Congress not later than 1 April 1981.

The FY 1980 funding appropriated for Active Duty for Training (ACDUTRA) and Weekend Away Training (WET) was less than the amount requested and did not compensate for the inflation rate. It also did not permit planned expansion of the WET training program to new units to achieve the goal of complete Navy/Naval Reserve integration. The FY 1982 budget requests $5.032 million for WET travel. This amount will support WET training for 11,753 officers and 21,602 enlisted personnel, approximately the same number of personnel as scheduled for FY 1981, but double the number who were able to perform this type of training in FY 1980. Our goal is to provide at least one independent WET in addition to one WET in conjunction with annual ACDUTRA each fiscal year at the Command location. The FY 1982 budget will support approximately 60 percent of this goal.

Through past evaluations, tests and practical exercises, the Naval Reserve has demonstrated its qualifications as a capable and respected element of the total Navy force. Every effort is being made through the use of sophisticated Shipboard Simulators, Damage Control Trainers, Weekend Away Training airlifts and Active Duty for Training to maintain a well trained and responsive Naval Reserve Force within the framework of the strength authorized and the resources available.

An important by-product of Reserve Training is the assistance provided to the active Navy in the performance of our peacetime missions. This Mutual Support Program encompasses almost all of the Navy's mission areas. For example, the Naval Reserve provides virtually all of our organic airlift within the continental United States, accomplishes over fifty percent of our intelligence production, performs adversary roles to our active air, surface and sub-surface forces in training exercises, and provides invaluable assistance to our Medical, Legal and Chaplain's Corps through the performance of a significant part of their tasks, particularly on weekends. In summary, the support provided by the Naval Reserve has helped tangibly to ameliorate the impact of our current active duty personnel shortages.

XII. Total Force Summary

My statement has outlined the Navy's manpower requirements in terms of active duty, reserve and civilian personnel. I believe these requirements are balanced in terms of effectiveness and economy. I have also discussed our current personnel situation including our shortfalls and their impact on readiness, and outlined steps we are taking to improve fleet readiness.

Finally, I would like to emphasize that because of the Nunn-Warner Amendment, the FY 1981 Defense Authorization Bill, and the Military Pay and Allowances Benefit Act of 1980, as well as other recent legislation, Congress has sent a strong message to our military personnel. Our Navy people are beginning to respond to that message, but a large part of the positive response we are receiving appears to be attributed to the perception that Congress is committed to addressing the military compensation issue and to solving it. A most important part of that perception is the feeling that Congress does indeed appreciate the contribution and the special sacrifice that our people are making to the strength of our Nation.

I believe we have reason for some optimism, but since we are beginning to improve from a seriously degraded position, and we are hopeful of expanding our Navy, it will take many years of exceptional retention success to overcome our current shortages.

The continued strong commitment and support of Congress for our Navy and our Navy people is vital to our success. The message has been sent and received. I urge you, Mr. Chairman, and your colleagues to follow through. I pledge you the Navy's full assistance in this important work for our Navy and our country.

Mr. Chairman, this concludes my prepared statement. I would be pleased to answer any questions you may have.

Senator JEPSEN. I have invited General Bronars.

Do you have a statement?

General BRONARS. Yes, Mr. Chairman, I do.

Mr. Chairman and members of the committee, it is a pleasure for me to appear before this subcommittee for the second successive year. I would like to report that the Marine Corps continues to stand for that which the Nation and American people have come to expect of Marines—a disciplined, well trained, well led force that is ready and willing to work long and hard to get the difficult job done in peace or war. We will not equivocate from our traditional standards and values.

I welcome this opportunity to present the Marine Corps manpower program for fiscal year 1982.

I have submitted a formal statement for the record which contains a detailed overview of our manpower requirements and programs. That statement was prepared well in advance of the hearing, Mr. Chairman and is reflective of the fiscal year 1982 budget presented to Congress on the 15th of January.

[The prepared statement of General Bronars follows:]

PREPARED STATEMENT OF LT. GEN. EDWARD J. BRONARS, U.S. MARINE CORPS, DEPUTY CHIEF OF STAFF FOR MANPOWER, HEADQUARTERS, U.S. MARINE CORPS

Mr. Chairman and Members of the Committee

I welcome this opportunity to appear before you to present the Marine Corps manpower program for fiscal year 1982. I will cover the strength authorization request for the active, reserve and civilian components of our total force and touch upon related mobilization capabilities. I will also discuss briefly some of the more important aspects of retention, recruiting, training and other selected programs which directly affect the personnel readiness posture of the Marine Corps.

The assigned missions of the Marine Corps require a closely integrated force of combined arms that is maintained in a highly ready, combat capable posture for rapid response and deployment in support of national objectives. By integrating air and ground combat elements into an overall force structure, the Marine Corps maintains air and ground combat forces that live, work and train together during peacetime and are highly ready to go to war together when required. Heavy emphasis in training continues to be placed on tailoring precise combat capabilities into Marine Air-Ground Task Forces to ensure total flexibility for meeting the full range of potential wartime mission requirements.

The world situation during the coming decade will require heavy reliance on the type of force in readiness capabilities that the Marine Corps provides. The requirement to maintain a high state of personnel readiness, both in terms of numbers and skills, is of fundamental importance. I will devote the remainder of my prepared remarks to indicate how the Marine Corps plans to meet this requirement.

Total Force

Our strength authorization request for active, reserve, and civilian personnel is required to provide the necessary combat capabilities in the operating forces and essential support capabilities at our bases and stations.

The Active Force

While our basic three division-wing structure is defined in law, the personnel strength necessary to man the force is not. Our strength authorization request of 188,100 in fiscal year 1982 will satisfy minimum immediate requirements for combat ready, rapidly deployable forces. Additional manpower resources, however, are necessary to enhance the combat service support sustaining base for prolonged contingencies of a more extensive nature. Moderately higher end strengths are needed to move gradually toward a more fully manned structure that will provide these essential sustaining capabilities. Based on experience thus far this fiscal year, I believe that higher end strengths of quality personnel are feasible and achievable in this and subsequent fiscal years. The following chart allocates the requested 188,100 end strength among Defense Planning and Programming Categories (DPPC's), with most Marines assigned to Tactical/Mobility Forces.

MARINE CORPS ACTIVE MILITARY MANPOWER REQUIREMENTS
(END STRENGTH IN THOUSANDS)

	FY 80	FY 81	FY 82
	Actual	FY 82 Budget	
STRATEGIC	*	*	*
Offensive Strategic Forces	-	-	-
Defensive Strategic Forces	-	-	-
Strategic Control and Surveillance	*	*	*
TACTICAL/MOBILITY	106.2	110.4	110.7
Land Forces	80.3	84.4	84.8
Tactical Air Forces	25.4	25.5	25.3
Naval Forces	0.6	0.6	0.6
Mobility Forces	-	-	-
AUXILIARY ACTIVITIES	1.6	1.6	1.6
Intelligence	0.7	0.7	0.7
Centrally Managed Communications	*	*	*
Research and Development Activities	0.8	0.8	0.8
Geophysical Activities	*	*	*
SUPPORT ACTIVITIES	43.6	42.4	42.7
Base Operating Support	21.4	20.5	20.7
Medical Support	-	-	-
Personnel Support	4.7	4.6	4.6
Individual Training	7.7	7.6	7.7
Force Support Training	3.2	3.0	2.9
Central Logistics	0.8	0.8	0.8
Centralized Support Activities	2.4	2.4	2.4
Management Headquarters	2.2	2.3	2.3
Federal Agency Support	1.2	1.3	1.3
Sub-total - Force Structure Allowance	151.4	154.5	155.1
INDIVIDUALS	37.0	33.6	33.1
Transients	8.1	7.7	7.7
Patients, Prisoners, and Holdees	1.7	1.4	1.4
Students, Trainees	27.1	24.5	24.0
Cadets	-	-	-
Total	188.5	188.1	188.1

Note: Detail may not add to totals due to rounding.

* Fewer than 50 spaces.

Manpower Distribution by DPPC

Strategic. Our contribution to strategic forces remains less than 50 Marines. They are assigned to Airborne Command Posts and the National Military Command Center.

Tactical/Mobility. Sixty percent of our Marines are assigned to three divisions, wings, and force service support groups. Task organizing parts of these components gives us the capability to project balanced air-ground-logistic forces of various sizes to meet a variety of threats.

Auxiliary Activities. Personnel within this category are devoted to research and development (R&D) and intelligence activities. Most of the R&D efforts support testing and evaluation of new amphibious doctrine, tactics, and equipment.

Support Activities. This category provides essential sustaining capabilities to include both the administrative and logistical support required for operational commitments during peacetime and in the event of mobilization.

Marines assigned to our Marine Barracks, embassies, consulates and to recruiting are also included in this category.

Individuals. The individuals category represents unavoidable overhead in terms of transients, trainees, prisoners, and patients. We are aware of a responsibility to efficiently manage this population. One significant action that has reduced the number of transients has been our system of deploying some infantry and aviation units on a rotation basis for temporary duty in the Western Pacific, rather than relying on individual replacements to support these forward deployed forces. The primary effect of this unit deployment program is improved readiness, but a secondary effect is to reduce the number of transients on leave or in a traveling status.

Officer Programs

The fiscal year 1982 officer strength of 18,102 reflects a nominal increase of 35 from fiscal year 1981. 546 women officers, whose assignments continue to be restricted to non-combatant roles, are included in this strength. Our average grade will maintain its historically low level of 2.74. We will also retain a very favorable officer to enlisted ratio of 1:9.4; the most austere among the services.

I would like to express sincere appreciation to the members of this subcommittee for their role in drafting and passing the Defense Officer Personnel Management Act (DOPMA). The Marine Corps is now in the process of modifying officer personnel management policy and procedures, as necessary, to complete full transition to the provisions of DOPMA by 15 September 1981. In early implementation action, we have encountered some administrative and technical problems. Amendments have been prepared and submitted to DOD to alleviate these issues and your support is requested in early resolution of these amendments to facilitate implementation. In sum, however, we feel that DOPMA provides a sound basis for planning and managing our officer programs now and in the future.

A recent review of DOD general officer allocations conducted at the direction of Congress, reallocated spaces within the Department of Defense. The Marine Corps received a much needed increase of two general officers, thereby allowing us 68 generals to fill our billet requirement of 76. Still unresolved is the pending FY78 Authorization Act requirement to reduce overall DOD general and flag officer numbers to 1,073. The current strength is 1,119 and the reduction of 46 is now scheduled to be completed by 30 September 1981. The Marine Corps joins the other services in asking that this directed reduction be rescinded by Congress.

Enlisted Programs

An enlisted force of 169,998 is requested for fiscal year 1982. This number includes 7,389 women Marines, 4 percent of the active structure and an increase of 1,170 over fiscal year 1980. Most enlisted Marines are unmarried (67.7 percent), average 22.8 years of age, and hold a grade of mid range lance corporal. Eighty-five percent of the enlisted force are high school graduates.

Although recent compensation initiatives and an improved reenlistment bonus program have increased retention, shortages continue to exist in our mid career force. These shortages are caused primarily by an inability to retain sufficient numbers of experienced leaders and technically skilled NCO's and Staff NCO's between their 5th and 10th year of service. Difficulty in retaining experienced leaders and supervisory personnel in the 13th through 20th year of service is also a problem. These grade and year of service shortages impact directly on our inability to man many of our occupational fields at the required levels. Of the

Marine Corps' 38 occupational fields, 15 are undermanned, and 9 of the 15 have less than 85 percent of their required strength.

The outlook, however, is good, particularly if additional improvements in military compensation and benefits are provided as our personnel fully expect, based on public statements made by the Administration and Congress last year. If this comes about, I am optimistic about the future. Fiscal year 1980 saw a reduction in our non-EAS attrition and improvement in our overall retention rates, and our career force grew by some 3,000 enlisted Marines. With your continued support, I believe we can further enhance our personnel readiness, in terms of both numbers and skills.

Marine Corps Reserve

The reserve component of the Marine Corps is an important part of our total force approach to meeting wartime requirements. The fiscal year 1982 request of 37,000 for the Selected Marine Corps Reserve (SMCR) is 1,151 over fiscal year 1981. This increase is a significant step toward reaching our wartime requirement of 41,995 and is consistent with Congressional concern over reserve strengths. Success in non-prior service recruiting (104 percent for fiscal year 1980), increased retention (52 percent in fiscal year 1980), and lower initial active duty attrition (12 percent in fiscal year 1980) provide some reason for optimism. These positive trends are partially offset by less than desired prior service recruiting and high individuals (non-EOS) attrition. For the past three fiscal years prior service goals have not been attained. This has resulted in a 7 percent degradation of the prior service population over the same period of time. The SMCR structure requires that approximately 30% of the force be prior service Marines to ensure the resident maturity, grade balance, and technical expertise necessary to accomplish assigned missions. A fully funded, comprehensive prior service recruiting program is necessary to reverse this trend. Efforts to reduce non-EOS attrition are being pursued aggressively by emphasizing progressive, non-repetitive training programs and enhancing unit identity and esprit at the local level. We are optimistic that these efforts will prove successful, and will result in a progressively higher SMCR strength. The following table displays the SMCR end strength by DPPC.

MARINE CORPS SELECTED RESERVE MANPOWER REQUIREMENTS
(END PAID-DRILL STRENGTH IN THOUSANDS)

	FY 80	FY 81	FY 82
	Actual	FY 82 Budget	
STRATEGIC	-	-	-
Offensive Strategic Forces			
Defensive Strategic Forces			
Strategic Control Surveillance			
TACTICAL/MOBILITY	31.2	32.5	33.5
Land Forces	24.9	25.9	26.6
Tactical Air Forces	6.3	6.6	6.9
Naval Forces	-	-	-
Mobility Forces	-	-	-
AUXILIARY ACTIVITIES	-	-	-
Intelligence			
Centrally Managed Communications			
Research and Development Activities			
Geophysical Activities			
SUPPORT ACTIVITIES	0.1	0.1	0.9
Base Operating Support	-	-	-
Medical Support	-	-	-
Personnel Support	-	-	0.8
Individual Training	-	-	-
Force Support Training	-	-	-
Central Logistics	-	-	-
Centralized Support Activities	0.1	0.1	0.1
Management Headquarters	-	-	-
Federal Agency Support	-	-	-
Sub-Total - Force Structure Allowance	31.3	32.6	34.4
INDIVIDUALS	4.2	4.1	4.1
Transients	-	-	-
Patients, Prisoners, and Holdees	-	-	-
Students, Trainees	4.2	4.1	4.1
Cadets	-	-	-
Total	35.4	36.7	38.5

Note: Detail may not add to totals due to rounding

The balance of the reserve force is comprised of Marines in the Individual Ready Reserve (IRR) and Standby Reserve. These reserve components are sources of pretrained manpower to fill shortfalls in active and reserve units, to expand the support base to meet wartime contingency requirements, and provide casualty replacements. Our present IRR strength of 54,926 is projected to increase to 57,800 by fiscal year 1984. Over 50 percent of these Marines have been inactive less than one year.

CIVILIAN PERSONNEL

Military and civilian manpower resources of the Marine Corps are integrated to provide maximum efficiency. Our policy is that civilian personnel shall be used to meet the personnel requirements of supporting activities to the maximum extent practicable, consistent with the requirements for use of military personnel by reason of law, training, security, discipline, rotation, and/or readiness. Our civilian personnel are employed in a variety of occupations, primarily to provide supporting services, continuity in operations, and specialized experience not otherwise available within our military structure.

For fiscal year 1982, we are requesting an authorization of 19,476 direct and indirect-hire civilians as illustrated in the following table.

MARINE CORPS CIVILIAN MANPOWER REQUIREMENTS
(DIRECT AND INDIRECT HIRE END STRENGTH IN THOUSANDS)

	FY 80	FY 81	FY 82
	Actual	FY 82 Budget	
STRATEGIC	-	-	-
Offensive Strategic Forces			
Defensive Strategic Forces			
Strategic Control and Surveillance			
TACTICAL/MOBILITY	-	-	-
Land Forces			
Tactical Air Forces			
Naval Forces			
Mobility Forces			
AUXILIARY ACTIVITIES	-	-	-
Intelligence			
Centrally Managed Communications			
Research and Development Activities			
Geophysical Activities			
SUPPORT ACTIVITIES	19.5	19.5	19.5
Base Operating Support	14.6	14.4	14.4
Medical Support	-	-	-
Personnel Support	0.2	0.2	0.2
Individual Training	0.2	0.2	0.2
Force Support Training	*	*	*
Central Logistics	2.7	2.7	2.7
Centralized Support Activities	1.3	1.3	1.3
Management Headquarters	0.6	0.6	0.6
Federal Agency Support	-	-	-
Total	19.5	19.5	19.5

Note: Detail may not add to totals due to rounding.

* Less than 50 spaces.

Our civilian authorization request for fiscal year 1982 is essentially the same as fiscal year 1981. While internal fluctuations continue to occur based on such considerations as contracting out and converting certain nonappropriated fund positions to civil service, our civilian force remains extremely austere. Because of this, our flexibility is very limited, and any reductions in civilian end strength, however small, would have a severe impact on overall efficiency of operations and would likely have a detrimental effect on readiness.

Manpower Mobilization

Under full mobilization, we would expand the peacetime active duty Marine Corps of 188,100 to a force of nearly 307,000; 224,000 of this figure would provide for the wartime structure, while the remainder would satisfy base augmentation and overhead requirements necessary to support the larger structure and accommodate the increased hospitalization of wartime casualties. The pretrained manpower assets to achieve this expansion are available from the Selected Marine Corps Reserve, the Individual Ready Reserve, and our retired population of about 82,000. Despite the adequacy of Marine manpower to meet the demand in the aggregate, we have skill deficiencies, particularly in the combat support and combat service support areas. These occur in 37 occupational specialties, with no identifiable deficiency or combination of deficiencies being serious enough to prevent us from carrying out wartime missions.

During the recent mobilization exercise, "Proud Spirit", we demonstrated an ability to quickly identify and rapidly issue appropriate active duty orders to satisfy wartime filler requirements. The exercise demonstrated probable show rates, based on responses to questionnaires, of better than 90 percent for reservists and about 83 percent for retirees.

RETENTION

The major manpower issue that we face in the immediate and foreseeable future is the retention of officer and enlisted personnel. As stated earlier, it is clear that this issue can be faced successfully only if military compensation and benefits are gradually increased to levels comparable to those available in the civilian sector. There is no question that the initial steps taken last year have been key to the inroads made in stemming the flow of personnel out of the military.

I am pleased to report that during fiscal year 1980 we experienced a drop in total officer attrition from 11.2 percent in fiscal year 1979 to 9.7 percent. Both the anticipation and realization of improved compensation as a result of Congressional action last year were critical factors influencing what can best be described as a "wait and see" attitude. Although overall officer attrition is down, the pilot shortage continues to be a matter of some concern. The current deficiency of 579 naval aviators has been caused primarily by the combined effects of an inadequate Pilot Training Rate (PTR) and unexpectedly high attrition over several years.

Since fiscal year 1976, 2,259 pilots left the Marine Corps, while only 1,791 new pilots were trained. I am happy to report that recent pilot retention has shown some improvement, and presently planned PTRs are being met. However, required training rates cannot be maintained if an adequate support base and sufficient numbers of reliable training aircraft are not provided. We join the Navy in seeking Congressional support for procuring and maintaining these assets. Although the pilot shortage will require a number of years to correct, I am confident that rapid progress can be made if training rates are satisfied and either a pilot continuation bonus or an increased level of aviation career incentive pay is authorized and funded.

During fiscal year 1980, we established high retention goals and concentrated reenlistment efforts on retaining second and third term Marines. This was an area in which we had previously experienced greatest difficulty. Increasing retention proved difficult because of a variety of factors, with the inadequacy of pay, the inadequacy of dependent health care, frequent family separations, and a real and perceived loss of benefits (e.g., commissary, post exchange and retirement) leading the list. Although disappointed because we did not achieve our higher retention goals, some successes can be noted. We reenlisted a total number of Marines equal to fiscal year 1979 from a 5 percent smaller eligible population, and were heartened by the increased retention in both the mid-career force and many highly technical occupational fields. Most importantly, 1,000 more personnel in fiscal year 1980 than in fiscal year 1979 reenlisted from the population that was coming to the end of obligated service; in other words, more reenlistments from the Marines who had to make the decision or get out. This was one of the major factors that allowed us to increase end strength and prompted us to request additional funds in fiscal year 1980 to support that higher end strength.

Our retention goal for fiscal year 1981 remains ambitious. The legislative actions of the 96th Congress with respect to increases in pay and benefits have created an improved retention environment. The expanded Selective Reenlistment Bonus Program and other management initiatives developed at our Headquarters have further strengthened our reenlistment program. Preliminary results lead me to be optimistic about meeting our retention goals this year. In the long term, higher retention of personnel must be sustained in order to satisfy manpower requirements in the face of an ever diminishing recruiting market of qualified military availables. We are committed to improving our retention program and solicit your support for the necessary assets to accomplish this task.

Compensation

The "first step" in improved military compensation taken by the 96th Congress in fiscal year 1980 resulted in a visibly improved retention environment. We are optimistic that this environment will continue if the necessary follow-on steps to further improve military compensation are taken. If this occurs, I am confident that existing personnel deficiencies, both in terms of skills and numbers, can be gradually eliminated. However, I am compelled to emphasize that those follow-on steps are essential if planned total force levels and desired personnel readiness levels are to be achieved.

Pay Comparability

The fact that military pay since 1972 has lagged substantially behind every segment of the private sector, presents the single biggest obstacle to attracting and retaining sufficient quality personnel in the uniformed services today. Simply put, these personnel can make more money in the private sector with fewer sacrifices. It is absolutely essential that additional improvements in military compensation be made until such time as pay levels become and remain competitive with the civilian sector. Only then will our service personnel feel confident that a career in the military will provide a reasonable standard of living for themselves and their families. They need this sense of confidence in order to justify the personal and family sacrifices that are inherent in a military career.

Other Compensation Priorities

The Marine Corps supports an additional 25 percent increase in Aviation Continuation Incentive Pay (ACIP) to help overcome the existing shortage of 579 pilots which represents 15 percent of total requirements. Even with this increase and a consistent achievement of planned training rates, it is estimated that requirements for Marine pilots will not be satisfied until the late 1980's. We, therefore, intend to apply a pilot continuation bonus, if authorized, to further enhance retention and, thus, satisfy requirements somewhat earlier.

A major irritant experienced by all service personnel during the execution of permanent change of station orders is the significant out-of-pocket expenses that are incurred. This subsidy of the government on the part of the individual is totally unfair and particularly difficult to accept by uniformed personnel when the government provides much more liberal reimbursements to civilian federal employees who are transferred to new locations, as does the private civilian sector for their employees. In spite of legislation which raised the reimbursable mileage allowance, these new higher limits still do not adequately compensate an individual for actual traveling expenses incurred. Authorization to increase monetary allowances and provide per diem to both the members and their dependents is required to ease the burdens associated with a government directed move. Entitlements for house hunting trips and temporary lodging expenses are two more initiatives that are needed to help defray expenses common to most moves.

I am convinced that the single most important new program required to attract and retain quality men and women in the armed forces is an effective educational assistance program. The long-term benefits to our Country that have resulted from past GI Bills make the investment doubly attractive. The ideal educational assistance program should be a noncontributory program, funded and administered by the Veterans Administration along lines similar to past GI Bills. Basic entitlements should be dependent upon completion of three or four years of initial obligated service. Provisions for increasing entitlements upon reenlisting and transferring entitlements to dependents should be included to encourage long term reenlistments and career commitments. Most importantly, an educational assistance program designed to help recruiting and retention will not be effective if it is not competitive with other already funded educational assistance programs, all of which require no military service obligation. If possible, these existing programs should be limited in scope so that qualified military availables must consider military service to Country in order to qualify for educational assistance.

Special and incentive pays intended to attract volunteers to perform hazardous duties are set in law at a flat rate that has not been adjusted since being established, in some cases, 25-30 years ago. Similar deficiencies exist in several other special pay and allowances; e.g., Special Duty Assignment Pay designed to attract highly qualified volunteers to recruiting duty by reimbursing them for additional expenses incurred; and the Family Separation Allowance designed to cover the additional expense of maintaining two households when a service member is required to serve overseas in an unaccompanied status. The rates for all of these long neglected special and incentive pays should be increased substantially to compensate for inflation that has occurred since originally authorized.

Dependent health care remains a seriously deficient area. Shortages in military doctors and medical support personnel preclude adequate care at existing military medical facilities. There have been at least seven major studies on health care and CHAMPUS over the past eight years, but few changes have been made to improve support or reduce the cost to the military family. The adequacy of health care for dependents is a primary consideration for uniformed personnel weighing the decision on whether or not to make the military a career. Any revision of the CHAMPUS program should also include provisions for dependent dental care, a clear cut ceiling on the potential cost to the member in cases of catastrophic illness or injury, and elimination of deductibles.

RECRUITING

Recruiting results in fiscal year 1980 exceeded our goals for both regular and reserve accessions, male and female, with 101.8 percent of total force quota being achieved. In addition, by the end of fiscal year 1980, 31 percent of fiscal year 1981 requirements were placed under contract in the Delayed Entry Program. In sum, fiscal year 1980 was a good recruiting year for the Marine Corps and placed us in the strongest posture for entering a new fiscal year since the inception of the All-Volunteer Force.

Success in Fiscal Year 1980

Several factors contributed to the success we enjoyed in recruiting during fiscal year 1980. The authorization of an additional 350 recruiting personnel and an additional 4.2 million dollars for advertising and recruiter support was important.

The expeditious selection and training of these additional personnel allowed us to take advantage of the unusually good recruiting market conditions that developed. The increased advertising effort produced more qualified leads than ever before, and the latest survey shows that awareness of the Marine Corps among 18-21 year olds is higher than ever. We believe we are in a strong recruiting position for fiscal year 1981 and have the potential for further improvements through increased public service advertising and greater emphasis on the recruitment of community college students and graduates.

The Marine Corps' emphasis on higher quality is continuing to produce tangible benefits. Most important, of course, is an increase in the personnel readiness of the operating forces. The downward trend in the number of enlistees who fail to complete their enlistment continues, as in all other quality indicators, e.g., unauthorized absence and desertion rates, confined population, and disciplinary rates. The resulting manpower efficiencies are significant. We are convinced that high school graduation remains the best single indicator of quality, and I am happy to report that for the third year in a row we have met or exceeded our goal of 75 percent high school graduates. Our goal for this year remains 75 percent, and indications are that it will be exceeded by a substantial margin.

These successes could not be achieved without the dedication and hard work of individual recruiters. Most work an average of

70-80 hours per week and some even exceed this. In acknowledging the individual recruiter's role, I take pride in recognizing their notable past achievements and absolute dedication to quality recruiting. However, they continue to be faced with one of the most demanding and difficult assignments for a Marine. Financial hardship and other personal and family sacrifices are still a very real part of recruiting duty.

As a result, only half of our recruiters volunteer for this arduous duty. We must continue to do everything possible to further improve the quality of life for recruiters. The 11.7 percent pay raise and the Variable Housing Allowance authorized by Congress last year helped significantly to alleviate the financial burden. Since most recruiters do not have access to medical and other military support facilities, more needs to be done. I therefore urge your support for a substantial increase in special duty assignment payments to help regain the monetary incentive this payment once provided.

The Bachelor Lease Housing Program, through which eligible personnel assigned to high cost areas are provided government leased housing, continues to satisfy fundamental needs that cannot be ignored. Recent surveys indicate an increased requirement of 72 quarters in fiscal year 1982 to support recruiting personnel stationed in geographic areas where adequate quarters cannot be reasonably obtained at prices commensurate with the combination of bachelor quarters and variable housing allowances.

While the Marine Corps is not pessimistic about the recruiting environment in the immediate future, there is good cause for expressing some concern about longer term prospects. It must be recognized that the high youth unemployment rate was a factor that contributed significantly to recent successes. High youth unemployment made the quality market available and, in effect, proved that the recruiting service could meet requirements if given the opportunity to compete with private industry. However, we may be riding the crest of a wave that might dissipate if the economy improves.

Furthermore, qualified military availables will decline by approximately 2 percent each year. The private sector, federal, state and local governments, and higher educational institutions will be competing for an ever more limited population.

In summary, it is clear that military compensation and benefit levels which are competitive with the private sector will be required to sustain recruiting success in the 1980's. New enlistment incentives, competitive pay and educational benefits will be required if manpower requirements of the uniformed services are to be satisfied under the All-Volunteer Force concept.

Training

In fiscal year 1982, we are requesting a training load authorization of 18,311 active and 2,835 reserve manyears, a four percent decrease from fiscal year 1981.

Recruit training will continue to provide a demanding and challenging curriculum designed to prepare a young man or woman for duty as a Marine. The male recruit training program has remained essentially unchanged over the past two years and continues to be oriented primarily toward duty in the operating forces. The separate training program for women recruits has undergone significant changes to better prepare women Marines for possible assignment to support units within the Fleet Marine Forces. These changes have added marksmanship and weapons training, instruction on field soldiering and defensive tactics to the curriculum.

Specialized skill training continues to rely to the maximum extent possible on formal schools operated by the other services. This saves significant manpower overhead and results in more efficient utilization of already existing training facilities of the other services. Within the Marine Corps, a concerted effort is being made to take advantage of advanced techniques (e.g., computer assisted training) to reduce training time and achieve desired skill levels necessary for manning and maintaining increasingly sophisticated equipment. Additionally, the Marine Corps has revised the training program for communications maintenance personnel to preclude early acquisition of marketable skills by first term Marines. This pilot effort is designed to provide first term Marines with the necessary skills for initial assignments to organizational maintenance duties while relying on follow-on professional training to prepare career oriented Marines for higher level maintenance duties at combat service support units and rework facilities. This long overdue approach to skill training is expected to reduce the exodus of highly skilled personnel before any meaningful benefit can be gained from long and costly training programs.

Fiscal year 1980 saw a favorable turnaround in pilot training rates (PTR) at the Naval Air Training Command. Compared to fiscal year 1979 when a PTR shortfall of 217 pilots occurred, fiscal year 1980 saw the planned PTR of 450 being exceeded by 45. PTR plans through fiscal year 1986 call for the graduation of 500 Marine pilots annually.

MANAGEMENT OF HUMAN RESOURCES

Reducing the Absentee/Deserter Population

Emphasis on decreasing the deserter-at-large population continues. An excellent working relationship has been established with civil law enforcement agencies throughout the Country. We are sincerely encouraged by the cooperation from local officials whose efforts account for the majority of deserter apprehensions.

Family Service Centers

Family Service Centers that were in the planning stage at this time last year are now a reality. Centers have been activated at 16 major Marine Corps commands. Marines not located at major commands have access to this program through the use of a toll-free telephone referral service. The Family Service Centers provide valuable information, guidance, counselling, and referral assistance to Marines and their families when facing financial difficulty and other equally pressing problems. These centers consolidate Marine sponsored services and provide responsive access to available federal, state and local programs.

Drug and Alcohol Abuse Prevention

We continue to emphasize early identification, treatment and and rehabilitation of Marines having substance abuse problems. This effort has met with considerable success in terms of the high percentage of Marines who are returned to full duty. By combining this rehabilitation effort with an aggressive prevention program of training and education, a slight downward trend in the overall incidence of substance abuse has been achieved.

Morale, Welfare and Recreation (MWR) Activities

I remain concerned about deficiencies in MWR programs all of which have an important effect on overall retention success. In my opinion, existing constraints on the use of appropriated funds for MWR facility construction are too stringent. As a result, heavy reliance must be placed on the use of limited nonappropriated funds to meet construction requirements. This, in turn, severely restricts the scope of MWR programs and activities. The constraints placed on the assignment of military personnel to support MWR activities simply compounds the problem by requiring an additional expenditure of nonappropriated funds to hire civilian personnel.

MANPOWER COSTS

Our direct program manpower request for fiscal year 1982 is $2,725.7 million. This amount is $111.5 million higher than the amended fiscal year 1981 request. As indicated in the following table, 50 percent of the increase occurs in PCS costs, with the remainder devoted primarily to officer and enlisted pay and allowances.

FISCAL YEAR 1980 - 1982 MILITARY PERSONNEL, MARINE CORPS BUDGET
BY BUDGET ACTIVITY

Budget Activity	FY 1980 $ Mil	FY 1980 % of Total	FY 1981 $ Mil	FY 1981 % of Total	FY 1982 $ Mil	FY 1982 % of Total
1. Pay & Allowances of Officers	440.491	19.71	514.135	19.67	524.245	19.23
2. Pay & Allowances of Enlisted	1,518.895	67.95	1,774.505	67.88	1,810.223	66.41
4. Subsistence of Enlisted Personnel	158.937	7.11	181.512	6.94	193.423	7.10
5. Permanent Change of Station Travel	114.630	5.13	141.828	5.43	195.557	7.18
6. Other Military Personnel Cost	2.357	.10	2.220	.08	2.252	.08
Direct Program	2,235.310		2,614.200		2,725.700	
Reimbursable Program	9.103		10.219		11.036	
Total Program	2,244.413		2,624.419		2,736.736	

CONCLUSION

In summary, the Marine Corps expects to meet manpower requirements with quality personnel during fiscal years 1981 and 1982. We are convinced that the All-Volunteer Force can be sustained in the foreseeable future if military compensation and benefit levels are increased sufficiently to be competitive with the private sector. We solicit your strong support for the necessary improvements to achieve this goal.

Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions you may have.

STATEMENT OF LT. GEN. EDWARD J. BRONARS, U.S. MARINE CORPS, DEPUTY CHIEF OF STAFF FOR MANPOWER, HEADQUARTERS, U.S. MARINE CORPS

General BRONARS. Since you have now received the new administration's fiscal year 1981 supplemental and fiscal year 1982 amendment, I will highlight only the more important changes while discussing overall programs in which you have a high interest. I am prepared to answer any questions you may have on adjustments made to the manpower accounts in the new administration's budget supplemental and amendment.

FISCAL YEAR 1982 END STRENGTH REQUESTS

For fiscal year 1982 we are now requesting an end strength of 192,100 active military, and 19,517 civilian personnel. These requested levels provide for an increase in active military strength of 4,000 above our 188,100 level we originally requested and 1,500 above a revised fiscal year 1981 level of 190,600. We are basically asking for the same civilian end strength as in fiscal year 1981.

The Marine Corps has taken advantage of progressively reduced attrition and slightly improved performence in recruiting and reenlisting quality personnel to increase active duty personnel strength in order to enhance the manning of both combat and combat service units.

These moderately higher end strengths, we feel, are needed to improve both the readiness and sustainability of our operating forces; we feel this is important because the requirements that will be placed on the Marine Corps in the eighties can be very substantial. I think the Nation is looking for us to respond to those types of contingencies that require rapid response. We want to be ready for that.

Our civilian strength request represents only a small portion of our overall manpower and we believe it is as austere as we can possibly make it. The major manpower issue that we face, as do all of the services, is to access and retain quality personnel necessary to meet our manpower requirements. I am pleased to report that during fiscal year 1980 we experienced a drop in total officer attrition from 11.2 percent in fiscal year 1979 to 9.7 percent.

Although overall officer attrition is down, we are still concerned about the pilot shortage. Since fiscal year 1976, 2,259 pilots have left the Marine Corps while only 1,791 pilots have been trained. That accounts for the major shortfall we are experiencing in pilots today. I am glad to report that present planned pilot training rates are being met. However, these required rates cannot be maintained if an adequate support base and sufficient numbers of reliable training aircraft are not provided. We join the Navy in seeking your support for procuring and maintaining these necessary training assets.

RETENTION GOALS

During fiscal year 1980, we established optimistic enlisted retention goals and concentrated reenlistment efforts on retaining our second and third term marines, an area in which we had previously experienced greatest difficulty. This includes those experienced and highly trained leaders and supervisors in our maintenance area. Increasing retention proved difficult because of a variety of factors; for example, inadequacy of pay and dependent health care, frequent family separations, and a real or perceived loss of benefits that our uniformed personnel felt either had already occurred or was being contemplated. I think a lot of that has been turned around simply by the signal Congress gave last year that there was concern for the uniformed man and woman. Although disappointed because we didn't meet our retention goals for fiscal year 1980, we were heartened by some significant and measurable successes. We reenlisted a total number of marines equal to 1979 from a 5-percent smaller eligible population. More importantly in my estimation, 1,000 more personnel in fiscal year 1980 than 1979 reenlisted from that group that was coming to the end of their obligated service. This was one of the major factors, along with low overall attrition, that allowed us to increase end strength and prompted us to request additional funds in fiscal year 1980. We were very pleased that Congress did support that higher end strength and did provide additional funds necessary to cover it.

Our retention goals for fiscal years 1981 and 1982 remain ambitious, but I am optimistic about meeting these goals. We are committed to improving our retention program and solicit your support for the necessary assets to accomplish this. I am optimistic about meeting these goals because I think we are just now at the takeoff point when quality is going to beget quality; that people are realizing that those they are associated with are the types of individuals they would like to maintain an association with. We are convinced that this emphasis on quality has the greatest influence on retaining personnel, and is the most important element in our retention program.

IMPROVING MILITARY COMPENSATION

We can be successful if our military personnel are adequately compensated for their service. The "first step," which this subcommittee had a lot to do with, was taken last year in improving military compensation. It resulted in a moderately improved retention environment. I am convinced that the followon steps are indeed necessary if planned total force levels and desired personnel readiness levels are to be achieved.

Recruiting results in fiscal year 1980 exceeded our goals for both Regular and Reserve accessions, male and female, with 101.8 percent of total force quota being achieved. Your fiscal year 1980 authorization of an additional 350 recruiting personnel and an additional $4.2 million for advertising and recruiter support was in, my estimation, a key factor in that success. It has placed us in a very strong recruiting position for fiscal year 1981 with a potential for further improvements through increased public service advertising. That is where we are turning now. We are placing a lot of emphasis on public service advertising and on recruitment of community college students and graduates of 2-year colleges where young men and women are trying to decide whether they want to continue their education or do something different for a couple of years. We are getting some quality input from this source.

Our emphasis on higher quality is continuing to produce tangible benefits. We are convinced that high school graduation remains the single best indicator of that quality. I am happy to report that for the third year in a row we have met or exceeded our goal of 75 percent high school graduates; in 1980 we had 78 percent. Our goal for this year remains 75 percent, and early indications are that it will be exceeded by a substantial margin. The latest statistics I have for our new contract writing for this fiscal year is that 82 percent of the new contracts written were for high school graduates.

While we are not pessimistic about the immediate future, there is good cause for expressing some concern about the longer term prospects. With the steady decline in qualified military availables, that is, the 18- to 21-year-old population of the young men and women who are completing their high school education, we feel that any significant improvement in current youth unemployment would have a serious impact on both our recruiting and on our retention efforts.

I have touched briefly on those areas of Marine Corps manpower which would be of special interest to you. Your past understanding of the difficulties experienced in the All-Volunteer Force environment are gratefully appreciated, and your support for further improvements in compensation and other benefits is strongly encouraged.

That concludes my remarks. I will be glad to answer any questions you may have.

YOUTH UNEMPLOYMENT ENHANCES RECRUITING

Senator COHEN. Could I ask one question. I wasn't sure what you meant when you said any continuation of the unemployment problems of our youth would I guess contribute to a lowering of the quality coming in?

General BRONARS. I said any significant improvement in the current youth unemployment. If the economy improves and we don't have a 16-percent and higher unemployment rate in that age group, I think it is going to have a serious impact on our ability to attract people into the military.

Senator COHEN. You are saying if there is an improvement in the economy with more job opportunities in the private sector, that is going to decrease the availability of high quality youth coming to the Marines?

General BRONARS. Yes, sir, I do, and I think one of the reasons we have been successful in the past year and the first part of this fiscal year is because there has been high youth unemployment.

Senator COHEN. I won't belabor this particular point but it seems to me we have had testimony almost to the converse, that higher rate of unemployment encourages those students with a lack of high school education and lack of job opportunities to move into the service. You actually have a lower quality of recruit coming in in direct proportion to the increase of inflation and unemployment. What you are saying is the converse, if you reduce inflation and reduce the economic problems that we have, that means you have a corresponding reduction of quality people coming in.

General BRONARS. Well, sir, I think if a young man graduating from high school is readily able to get a job he will be less inclined to consider the military option. In other words, one of the reasons that all of the services have been successful in the past few years in recruiting, last year and the beginning of this year in particular, is because many young men and women have been unable to find jobs and they look to the military for employment.

Senator JEPSEN. Admiral Palmer, do you care to make a statement?

Admiral PALMER. Yes.

STATEMENT OF REAR ADM. FREDERICK F. PALMER, USN, DIRECTOR OF NAVAL RESERVE AND CHIEF OF NAVAL RESERVE

Admiral PALMER. Very briefly, Mr. Chairman, this is my third year as Chief of the Naval Reserve, but my first opportunity to address this subcommittee. I am particularly honored to do so. Last year was both a very good and a bad year for the Naval Reserve. I will give you the bad part first and the good part last.

The bad part was a congressionally imposed travel ceiling and a shortage of travel funds as the result of unprogramed inflation which caused tremendous problems particularly in the Naval Reserve, because the Naval Reserve is the most travel dependent of all of the Reserve Forces. The travel ceiling was lifted in the spring and additional money was provided by Congress in July. We were then able to repay the naval reservists who had accepted permissive orders and reschedule most of those who were originally left out. We came out of it well. The good part is that our readiness is improving. We are exactly on strength, up from a low of 81,000 2 years ago to our present 87,000. We are right on our man-year average and that pleases me very much.

We have a good Naval Reserve and it is getting better. I am ready for your questions.

[The prepared statement of Admiral Palmer follows:]

PREPARED STATEMENT OF REAR ADM. FREDERICK F. PALMER, USN, CHIEF OF NAVAL RESERVE

Mr. Chairman and members of the committee, I am pleased to appear before this committee today to report on the current status of the Naval Reserve and outline the program we are requesting for fiscal year 1982.

This is my third opportunity to report on the status of the Naval Reserve. Again I want to thank this committee for its support. I am pleased to be able to say that the improvements we have achieved over the past two years are being sustained and we are making additional progress in improving the capability and readiness of the Naval Reserve.

ACHIEVEMENTS

The Selected Reserve strength, that is, our members in a paid drill status, was right on target last year. We achieved an average strength of 86,665 compared with our authorization for 87,000. More importantly, we were able to maintain an on board strength which did not vary much above or below our 87,000 target. This era of relative stability has enabled us to continue the ongoing task of improving the match of individual skills and capabilities with the requirements for each mobilization billet.

The expanded incentive package provided by Congress last year should assist us in making additional progress in this area this year.

The total capability of the Navy Manpower Mobilization System (NAMMOS) was achieved with the recent completion of the examination of requirements for all types of personnel (Selected Reserve, Individual Ready Reserve, Retired and Civilian) for the first 180 days after mobilization. It is not surprising that this more detailed exercising of the system shows an increased Navy fiscal year 1982 requirement for Selected Reserve personnel of over 110,000.

We are also revising the procedures used to measure the readiness posture of the Naval Reserve. While our hardware units continue to use fleet performance standards in assessing their readiness condition, we are currently refining the unit reporting system to include the measurement of readiness of our augmentation units with the active force units they support. The completion of this project will provide the Navy with a valuable management tool to enable us to more rapidly identify problem areas, take appropriate remedial action, and provide a gaining command with information which will provide a readiness assessment upon mobilization.

We have continued to make substantial improvement in the capabilities of our units, and individuals Selected Reservists, by improving the quality of training. Particularly noteworthy is the expansion of our Weekend Away Training (WET) program which provides for periodic hands-on training for our augment units at either the command they would report to upon mobilization or a similar active duty location. Our goal is for each affected unit to perform one WET evolution each quarter. We have been able to program to accomplish over fifty percent of our goal for WET during this fiscal year, a significant improvement over fiscal year 1980, and have budgeted for a similar level of effort in fiscal year 1982.

The WET program is one of the more visible demonstrations of the increasing interaction between the Navy's active duty and Reserve units. An important byproduct of this training and the annual two week active duty training periods performed by our units is the direct support we are able to provide to the active duty units of the Navy. We have adopted the phrase "Mutual Support" to describe those Naval Reserve training evolutions which also provide direct assistance to active duty units in the performance of their mission.

The Mutual Support program covers most of the spectrum of Naval mission areas. The following examples provide an insight of the spread and depth of these mutually beneficial pre-mobilization activities:

Recently VAW-78 and VAW-88, the two Naval Reserve Carrier Airborne Early Warning Squadrons, performed their annual Active Duty for Training at Keflavik, Iceland. The combined effort covered a 30 day period and provided realistic mobilization training in the airborne early warning mission while filling an essential operational requirement by relieving U.S. Air Force AWACS aircraft which had been forward deployed to Germany.

Naval Reserve Shore Intermediate Maintenance Activities (SIMAs) and Yard Repair Craft (YR) provide direct support of ship over-haul and rework projects at the Intermediate Maintenance Level activities.

Naval Reserve Intelligence units are fully integrated into their active duty counterpart commands and are entirely committed to real-time production efforts They routinely complete over fifty percent of the Navy's Intelligence production.

The 13 Reserve VP squadrons provided 4 operational aircrews and 3 aircraft for 32 weeks at Lajes and 20 weeks at Agana and Kadena to supplement fleet VP operations.

The Naval Reserve Security Group training program is rooted in a line cryptologic mission which involves participation in functions that provide vital security information for a variety of military and other DOD activities.

Numerous Naval Reserve staff augmentation units routinely stand watches at various command and control centers throughout the Naval Establishment, simultaneously obtaining valuable mobilization training and reducing the workload of active duty personnel.

During fiscal year 1980 the Reserve Naval Construction Force contributed over 15,000 mandays at various stateside and overseas projects such as: Vieques Island road upgrading project; base support, electrical distribution and welfare and recreation projects at Guantanamo Bay, Cuba and Roosevelt Roads, PR; demolition work at Midway Island; and construction of an Equipment Maintenance building at Rota, Spain.

Naval Reserve Chaplains furnish direct support to the active forces by providing pastoral care in the Naval Regional Medical Centers, chaplain services for ships where ship's chaplains are unavailable, and aboard stations in relief of active duty and retired military personnel.

Naval Reserve VF and VA squadrons provide forces for war-at-sea, fleet air defense, and air-to-air warfare exercises during work up training of deploying battle groups.

Naval Reserve Cargo Handling Battalions assist active commands in moving and storing cargo, load out of deploying units, and reorganization of warehouse storage facilities.

Reserve VR squadrons furnish the entire CONUS fleet logistics support effort and augment Sixth Fleet units on a regular basis. They also deploy to the Pacific to support transpac movements of Navy and Marine TACAIR squadrons. Additionally, they support UNITAS operations in South America for 10 weeks each year.

The Vice Chief of Naval Operations recently stated that during the Navy's recent manpower shortage, "without the Naval Reserve, we would have gone under." I am proud, as is each individual Naval Reservist, that we have been able to provide this support.

A reinforcing outlook is the extent to which the Navy depends on the Naval Reserve to meet its force level and personnel requirements after mobilization. In general, approximately 17 percent of the Navy's trained military manpower is in the Navy's Selected Reserve. The following list illustrates the degree of reliance on the Naval Reserve to provide responsive units and personnel for immediate mobilization and expansion of the active Navy in certain mission areas:

	Percent
Naval U.S. based logistic airlift (VR)	100
Light attack helicopter squadrons (HAL)	100
Navy combat SAR capability (HC-9)	100
Naval mobile inshore undersea warfare units	100
Naval control of shipping organization	99
Naval ocean minesweepers	88
Navy cargo handling battalions	84
Navy mobile construction battalions	68
Naval special boat forces	66
Military Sealift Command (MSC) military personnel	60
Naval maritime air patrol squadrons (VP)	35
Naval intelligence personnel	32
Navy composite (service) squadrons (VC)	29
Naval medical support personnel	25
Navy tactical carrier air wings (CVW)	14
Navy amphibious warfare ships	9
Navy base operating support personnel	7
Navy surface combatants (destroyers)	5

CHANGES FOR FISCAL YEAR 1982

Although we made improvements during the past year, I do not want to give the impression that the Naval Reserve has achieved the desired mission capability. Our program for fiscal year 1982 is a continuation of achievements to date.

Selected Reserve strength

The Selected Reserve strength of 87,600 requested for fiscal year 1982 is essentially the same as our approved program for this year. There is a small increase in the number of full-time support personnel, from 208 to 295, plus the addition of an average strength of 305 Individual Mobilization Augmentees (IMAs). The IMAs are part of the Selected Reserve authorization request as the result of a program decision to move Category D of all Reserve components to the Selected Reserve authorization as part of an expanded IMA program. Navy Category D IMAs are not in a drill pay status, but are offered two weeks active duty training each year. The remaining 87,000 are Selected Reserve personnel, that is, Ready Reservists who are programed to receive at least 48 paid drills and two weeks active duty training.

Naval Reserve Force levels

The Naval Reserve Surface Force (NRF) is programed for several changes during fiscal year 1982. The Navy plans to retire all but 8 of the old NRF FRAM I DD's during fiscal year 1981 and to replace four of the remaining FRAM I DD's during fiscal year 1982 with four of the more modern FF-1052 class frigates. The Navy is in the process of completing the development of the detailed plan for modernizing of the Surface Combatant arm of the NRF, and has been directed to provide a report to Congress prior to the first of April 1981.

During fiscal year 1982 an additional Tactical Electronic Warfare squadron (VAQ 34) will be established in the Naval Reserve to provide much needed support to West Coast fleet units.

Delivery of the first of three C-9B aircraft authorized for procurement to provide partial relief for the retiring C-118 fleet is scheduled March of 1981. The C-118s are reaching the end of their economical service life. In view of the material condition of these aircraft, the limited availability of spare parts and high octane aviation gasoline, it is necessary to phase out the last of these aircraft by the end of 1984.

The program to modernize the Anti-Submarine Warfare capability of Naval Reserve patrol aircraft has been revived with the restoration of the Tactical Navigation Modernization (TACNAVMOD) program in fiscal year 1981. Twenty (20) million dollars is included in this year's budget request to fund another increment in this vital tactical improvement program, begun with the induction of the first aircraft from VP-91 in February of this year.

The programed changes will result in a Naval Reserve at the end of fiscal 1982 as outlined below:

Major commissioned units

45 Ships: 5 Destroyers (DD), 4 Frigates (FF), 22 Minesweepers (MSO), 4 Amphibious Cargo Ships (LKA), 2 Tank Landing Ships (LST), 2 Ammunition Ships (AE), 5 Fleet Ocean Tugs (ATF), and 1 Salvage Ship (ARS).

4 Special Boat Units, (numerous craft); 16 Mobile Inshore Undersea Warfare (MIUW) Units; 17 Mobile Construction Battalions (MCB); 6 Cargo Handling Battalions (CHB); and 2 Carrier Air Wings (CVWR): 4 Fighter Squadrons (VF), 6 Attack Squadrons (VA), 2 Light Photographic Squadrons (VFP), 2 Carrier Airborne Early Warning Squadrons (VAW), 2 Tactical Electronic Warfare Squadrons (VAQ), and 2 Aerial Refueling Squadrons (VAK); 2 Patrol Wings (RESPATWING), 13 Patrol Squadrons (VP); 1 Tactical Support Wing (RESTACSUPWING): 9 Fleet Logistic Support Squadrons (VR), 2 Fleet Composite Squadrons (VC), 1 Helicopter Combat Support Squadron (HC), and 1 Tactical Electronic Warfare Squadron (VAQ).

The Naval Selected Reserve also contains approximately 2,100 Reinforcing and Sustaining units organized and trained to provide support to the following programs:

Submarine Forces
Mine Forces
Mobile Logistics Support Forces
Surface Combatant Forces
Air Forces
Construction Forces
Amphibious Forces
Marine Corps
Special Warfare Forces
Major Fleet/Force Commands
Unified/Joint Shore Commands
Support of Allies
Telecommunications
Security Group
Intelligence
Oceanography
Naval Control of Shipping
Research

Military Sealift
Naval Control of Shipping
Bases and Stations
Naval Material Command
Air Systems
Electronics Systems
Facilities Engineering
Sea Systems
Civil Defense
Supply Systems
Merchant Marine
Medical
Training
Personnel System
Public Affairs
Law
Chaplain
Selective Service

Senator JEPSEN. General Crist, do you have any statement you care to make?

STATEMENT OF MAJ. GEN., GEORGE B. CRIST, USMC, DEPUTY CHIEF OF STAFF FOR RESERVE AFFAIRS, HEADQUARTERS, U.S. MARINE CORPS

General CRIST. Mr. Chairman, it is a privilege to appear before you today to discuss the posture of the Marine Corps Reserve. I have provided a full statement that I ask be entered into the record and I will make a summary statement.

Overall this has been a very good year for us. The Selected Marine Corps Reserve ended up the fiscal year with an end strength of 35,449. This was 112 percent of the goal, and the first time since 1973 that we had passed 35,000. First-term reenlistments are up and attrition during initial active duty for training is down. Quality remains high, with 76 percent of the Reserves high school graduates. I expect these trends to continue through 1981 and 1982. We are forecasting a fiscal year 1982 unit end strength of 37,157. If realized, this would be an increase of 3,760 over the estimate submitted to Congress a year ago. When individual mobilization augmentees and full-time Reserve support personnel are included, the Selected Reserve end strength is projected to be 38,540.

UNIT READINESS INCREASES

Readiness is coming up; 1980 saw a 16-percent increase in reported unit readiness under Unitrep, although personnel and skill shortages still remain a problem. Seventy percent of the units tested under the Marine Corps combat readiness evaluation system were combat ready. There was more than a 50-percent improvement in mobilization readiness as measured by the Marine Corps Operational Readiness Deployment Test. Over 13,000 reservists participated in 13 exercises ranging from Norway to the California desert. Additionally, 193 units conducted weekend training away from their home stations using National Guard, Reserve, and active facilities.

While unit readiness remains a paramount concern, individual readiness is receiving greater attention. This is driven by new requirements and increasingly stringent mobilization parameters. Overall the Individual Ready Reserve is fairly healthy in terms of the numbers and ranks needed. But, we must, and are, taking steps to insure they are trained and categorized to meet known mobilization requirements.

Although the trends are up, we still have a lot to do to insure the Marine Corps Reserve is fully ready to carry out its assigned missions.

Prior service recruiting is not going well. There has been a net decline of 7 percent in the Selected Reserve prior service population over the past 3 years. Presently, only 72 percent of the requirement is on board and is projected to decline to 50 percent by 1984. A comprehensive prior service recruiting program is being developed to reverse this unacceptable trend.

There are skill shortages in the Selected and Individual Ready Reserve. This problem is being attacked through the use of bonuses, to attract and retain the needed skills, and the institution of expanded training programs.

An adequate management structure is needed to assure availability of the proper mix of pretrained individuals to meet wartime requirements. Such an organization is being put together, which, when established, will be capable of effectively receiving, administering, assigning, training and discharging our individual reservists.

Integral to effective management, and therefore to increased response, is the requirement for automated data processing systems.

An organic automated data processing capability is necessary to support the administration of individual reservists and the supply, accounting and maintenance systems in our Selected Reserve units. This deficit has substantially contributed to General Accounting Office and Defense Audit Service criticism of our manpower, pay and training management systems.

Finally, there is a greater need for full-time support personnel. The Marine Corps already contributes 4,435 active duty officers and enlisted to the Reserve component. This is a significant and visible manifestation of the Marine Corps' commitment to the total force, but in a time of competing demands for skilled personnel, there is a finite limit to full-time active duty support. For this reason, we intend to make use of the provisions of section 672(D)/678 of title 10 to bring on active duty full-time reserve support personnel to assist the regulars in organizing, recruiting, instructing and training the reserve component.

The shortfalls that I have just enumerated are well recognized and remedial programs are underway in each area. The new 1981 supplemental and amended 1982 budget provide the funding which will make it possible to realize these urgent improvements in our readiness posture. To this end I ask your help.

In summary, the Marine Corps Reserve is showing steady progress. Much has been done. Much remains to be done. But, if the call comes, the Marine Corps Reserve will answer, as it has for the past 65 years.

Thank you.

[The prepared statement of General Crist follows:]

PREPARED STATEMENT OF MAJ. GEN. GEORGE B. CRIST, DEPUTY CHIEF OF STAFF FOR RESERVE AFFAIRS

Mr. Chairman, distinguished members of the Committee, it is a privilege to appear before this committee to present the annual report on the posture of the Marine Corps Reserve.

A responsive, ready Marine Corps Reserve is essential for the Marine Corps to meet the totality of wartime requirements. The 94,000 active Reserve represents 33 percent of the total available Marine Corps manpower and therefore plays a significant role in all facets of contingency planning. This statement is my assessment of the capability of the Marine Corps Reserve to meet this challenge.

MISSION

The mission of the Reserve is to provide trained units and qualified individuals available for active duty in time of war or national emergency. Within the Total Force Policy the most probable employment roles of the Reserve would be to: (1) provide trained units to selectively augment and reinforce the active forces in order to field three Marine Amphibious Forces at full wartime strength; (2) provide qualified individuals to fill shortfalls in active and Reserve units and expand the supporting base to meet wartime contingency requirements; (3) provide a Marine Amphibious Brigade or, if augmentation/reinforcement is not ordered, a 4th Division/Wing Team, and (4) provide a nucleus for reconstitution of a fourth Division and Wing.

It is the capability to perform these missions against which the readiness of the Marine Corps Reserve must be measured.

SELECTED MARINE CORPS RESERVE

The cutting edge of the Marine Corps Reserve is the Selected Marine Corps Reserve (SMCR). The preponderance of the SMCR consists of the 4th Division, the 4th Marine Aircraft Wing (MAW) and the 4th Force Service Support Group (FSSG).

Located in 45 States at 177 sites, the Division/Wing Team (DWT) is a balanced force of combat (35 percent), combat support (39 percent), combat service support (24 percent) and staff (2 percent). The population is similarly well balanced. The ratio of officers to enlisted is 1:12. Officers make up 8 percent of the population with 59 percent of the officers captains or below. On the enlisted side, 73 percent of the personnel are sergeant or below. The enlisted population is, however, imbalanced by a 28 percent shortage in the top five pay grades.

The SMCR has continued to show steady improvement over the past year. From a low of 29,306 in fiscal year 1976, the SMCR end strength climbed to 35,449 in fiscal year 1980; 105 percent of the figure forecasted in the budget and the fourth consecutive year of growth. Three factors contributed to the increase: (1) increased non prior service recruiting, (2) higher retention and (3) lower initial training attrition.

Fiscal year 1980 was a positive year for non prior service recruiting. In the six years from fiscal year 1974 through fiscal year 1979 recruiting accessions only averaged 95 percent of the goal. In fiscal year 1980, however, this figure jumped to 104 percent of the quota, resulting in a fiscal year 1980 end strength increase of 1,782 over the figure forecast in the budget. This momentum has continued through the first quarter of fiscal year 1981 with 103 percent of the three month quota obtained. While economic conditions are certainly an underlying factor, the effect of an intensified recruiting effort during the year also contributed greatly. Since non prior service reservists are recruited under a Total Force recruiting program, the addition of 350 full-time active duty recruiters to the regular Marine Corps recruiting service had a direct effect on increased Reserve accessions.

First term reenlistments have risen from 16 percent in fiscal year 1977 to 52 percent in fiscal year 1980. This rate is even more dramatic when compared to an average first term reenlistment rate of 22 percent over the previous five fiscal years and the fact that the fiscal year 1980 result was 12 percent higher than anticipated. Career reenlistments also held up well, ending fiscal year 1980 at 86 percent. Again, these trends are holding through the first quarter of fiscal year 1981 with first term reenlistment running at 52 percent and career at 95 percent.

Attrition during Initital Active Duty for Training (IADT) has shown a favorable drop from 20 percent in fiscal year 1977 to 12 percent in fiscal year 1980. This is attributable primarily to the increasing quality of the Reserve recruits.

Quality is indeed improving. In fiscal year 1980, 76 percent of the non prior service accessions were high school graduates as compared to 50 percent in 1975. Overall, the SMCR population contains 76 percent high school graduates and 14 percent have two or more years of college. Minorities comprise 28 percent and women three percent.

For fiscal years 1981 and 1982, I expect these trends to continue. We are now forecasting a fiscal year 1982 unit end strength of 37,157 (36,262 average strength). This would be an increase of 3,760 over the estimate submitted to Congress a year ago. The ability to reach this projection is due in no small part to the continuing Congressional support for increased end strength and the appropriations for those elements necessary to make it so.

These positive trends have been offset somewhat by high non end of obligated service attrition, low prior service recruiting and skill shortages.

Non end of obligated service losses are averaging 1,849 per year which equates to an average loss rate since fiscal year 1977 of 5.6 percent. In fiscal year 1980, non end of obligated service losses amounted to 2,568 for 6.1 percent rate. A recent study indicates that the majority of these losses occur either immediately after a reservist returns from IADT or at the 12 or 24 month milestones in the enlistment. The primary reasons for this attrition were found to be a lack of identity between the Reserve enlisted and the parent SMCR unit and a perception that inactive duty training (drill) was repetitive, dull and unimaginative. Actions being taken to ameliorate these problems are: (1) a new entry level training and tracking system for Reserve recruits; (2) a SMCR unit sponsorship program and (3) emphasis on the conduct of inactive duty training away from home sites. The new entry level training and tracking system and the sponsorship program were developed from study findings which attributed part of the attrition to weaknesses in the decentralized management of IADT. Interviews with recruits indicated less than 50 percent knew which Reserve unit they belonged to, where they would receive initial skill training and how long they would be on active duty. Selected Marine Corps Reserve units, on the other hand, were unable to monitor the progress of their enlistees through Initial Training. A centrally managed Reserve Entry Level Training and Tracking System has now been instituted. Direct communication channels have been opened and reinforced between the recruiting service, SMCR units, training commands and Headquarters Marine Corps. The sponsorship program "marries up" the non prior service individual with his/her unit at time of initial contracting, ensures communication between the unit and the individual during recruit and initial skill training and provides assistance from a unit member on a one-to-one basis during the first few drills after returning from active duty training.

Fiscal year 1980 was the third consecutive year in which prior service recruiting goals were not met, despite reducing the quota in each of those years. Over the past five years only 87 percent of the quota has been obtained. This has resulted in a net decline of seven percent in the SMCR prior service population over the past three years. The mix of prior/non prior in the SMCR is essentially dictated by the ranks and skills required in the 4th DWT structure. As a result, approximately 30 percent of the force must be prior service Marines in order to insure the resident maturity, grade balance and technical expertise to accomplish assigned missions. Presently, only 72 percent of the prior service requirement is on board. Should this negative trend be allowed to continue, the prior service population is projected to decline to 50 percent of the requirement by fiscal year 1984. Passive recruiting has not worked. We are developing a comprehensive prior service recruiting program, to reverse this unacceptable situation, which includes trained, full-time Reserve recruiters, a comprehensive referral system, inducements, advertising, logistic/administrative support, centralized management and a rapid reporting-feedback system. Funding to support this program is included in the fiscal year 1981 supplemental and the fiscal year 1982 amendment.

Within the SMCR, personnel readiness is degraded as a result of Military Occupational Specialty (MOS) match/quantitative shortfalls in critical skills. Examples of MOS shortfalls are: infantry, artillery, data/communications, supply, air control and aviation ordnance. Actions being taken to improve MOS match and reduce critical skill shortfalls include: offering enlistment and retention bonuses for critical skills; increasing formal training school quotas; increasing short course training during annual training duty; and instituting centralized management of all non prior service input to insure the MOS assigned is required by the unit Table of Organization.

UNIT READINESS

Readiness and response of the Selected Reserve units is good, but there are some areas which require improvement. Readiness is evaluated by the same standards as the active forces: Unit Status and Identity Report (UNITREP); Marine Corps Combat Readiness Evaluation System (MCCRES) and field exercises. These are supplemented by Reserve peculiar evaluations: Mobilization Operational Readiness Deployment Tests (MORDTs) and annual drill.

When the reporting standards shifted from Force Status and Identity Report (FORSTAT) to UNITREP in April 1980, the readiness ratings of many individual SMCR units declined. The major reason for the decline was the change in the standard criteria for area resource ratings. The UNITREP system compares each unit's currently available personnel and equipment to that unit's wartime personnel and equipment requirements vice peacetime authorizations computed under FORSTAT. As of end fiscal year 1980, more than half of the SMCR units were reporting major degradations in readiness primarily due to personnel shortages. However, the picture is beginning to improve. During fiscal year 1980 there was a 16 percent increase in the readiness status of our units and the first quarter fiscal year 1981 saw an additional four percent increase. Skill shortages, however, remain a problem. Over one third of the units are reporting degraded readiness for this reason. A solution to this problem appears to lie in attracting prior service personnel, as previously mentioned.

The Marine Corps Combat Readiness Evaluation System and MORDT offer dynamic vehicles to measure unit readiness through evaluation of actual unit performance under realistic conditions.

Under MCCRES, using indentical evaluation standards as applied to like Regular units, 70 percent of the Reserve units tested were rated combat ready. All aviation units were combat ready and a Reserve F-4 squadron from Dallas, Texas was adjudged one of the best in the Marine Corps, active or Reserve. The ground units needed improvement in command and control and fire support coordination at the battalion level. This is a function of geographical dispersion until units come together for annual training. Thus far in fiscal year 1981, the 4th MAW has conducted two MCCRES evaluations. Both units were rated combat ready. The 4th Marine Division will increase MCCRES evaluations by 16 percent this fiscal year.

Mobilization Operational Readiness Deployment Tests provide a measureable indicator of SMCR unit mobilization response through evaluation of those actions essential to the mobilization process; administration and logistic readiness, emergency recall and embarkation procedures. Mobilization Operational Readiness Deployment Tests results in fiscal year 1980 reflected an increase in mobilization readiness. One hundred and eighteen 4th Marine Division units received MORDTs during fiscal year 1980, an increase of 180 percent over fiscal year 1979. Fourth Division units readiness showed marked improvement. Whereas 7.1 percent and 4.7 percent were evaluated not combat ready in administration and logistics respectively in fiscal year 1979, these figures dropped to .8 percent in each area in fiscal year 1980. Fourth MAW units showed similar results. In fiscal year 1979, 7.6 percent of the units tested were not combat ready. In fiscal year 1980 only four percent were judged not ready. Based on these exercises, we are reasonably confident that SMCR units can be mobilized at their Station of Initial Assignment (SIA) within two to four days of notification. The average show rate is over 87 percent of the unit strength. This is very satisfying considering the MORDT procedure is to notify the unit on Wednesday of the mission to deploy on Friday, conduct a field exercise and return to the Training Center on Sunday.

Exercises provide yet another means of evaluating readiness. During fiscal year 1980, 14,382 reservists participated in 13 major training exercises. These ranged from exercises under NATO with Regular Marine Forces in Norway and Turkey to a combined arms Reserve Marine Amphibious Brigade exercise in the high desert at 29 Palms. Nearly 4,000 reservists participated in five joint exercises with our sister Services. Over 6,000 Reserve Marines participated alongside active units in three Marine Corps exercises. Another 3,300 reservists received specialized unit training such as amphibious, mountain, jungle and cold weather warfare operations. In fiscal year 1981, 15,400 reservists are scheduled to participate in 11 major exercises.

While not as obvious as other evaluative standards, unit drill attendance is another measure of readiness. Drill participation rates are showing an increase. The rates for fiscal year 1980 were 99 percent for officers and 87 percent for enlisted, an increase of three and five percent respectively since fiscal year 1978. In an effort to make unit drill more meaningful, we were able to fund weekend training away from home stations for 193 units using National Guard, Reserve and active facilities. The ability to train away from home stations provided a real boost in readiness by augmenting annual training through mission oriented exercises such as a cold weather field exercise at Camp Ripley, Minnesota and a dissimilar air combat exercise at Tyndall Air Force Base, Florida.

LOGISTIC READINESS

SMCR units possess only that amount of equipment necessary to meet their training requirements. This training allowance represents about 45 percent of the total equipment authorized by unit Tables of Equipment.

The remaining authorized equipment is programed to be held in a protected status at the Marine Corps Logistics Bases, Albany, Georgia and Barstow, California. Although the equipment held by Reserve units as a training allowance does allow the SMCR units to meet training requirements, the status of assets held in protected stocks is less than desired.

The supportability test for Exercise Proud Spirit revealed there is a $171 million deficiency in principal end items (initial issue and mount out) required to fill out the SMCR units to full wartime equipment allowances upon mobilization. This equates to an overall shortage of approximately 33.5 percent in principal end items. There was also a deficiency of 51 percent or $7 million for repair parts to support a full wartime Table of Equipment upon mobilization. The correction of these deficiencies is considered within the overall plan for attainment of Marine Corps inventory objectives. Included in the fiscal year 1982 budget amendment is funding to bring NBC equipment up from the current 10 percent of requirement to about 50 percent. Reserve requirements are also reflected in the increased fiscal year 1982 budget for Marine Corps War Reserve material In addition, the fiscal year 1982 amendment provides for the initiation of a phased modernization program for the Reserve ground forces to keep pace with the active forces.

Project Hail is the Chief of Naval Operations Special War Reserve Program to support the 4th DWT with medical, dental and aviation parts and equipment (0–90th day upon mobilization). Due to insufficient funding, deficiencies exist in the aviation peculiar items and the medical and dental support items. Steps are underway to determine and prioritize initiatives to alleviate deficiencies for future submission during the budget cycle.

An aging inventory of aviation assets is also a very real concern. The SMCR aircraft inventory consists of attack aircraft that are 13–17 years average age, fighters that average 14 years of age and transport helicopters that are 13 years average age. These aging aircraft require increased maintenance time which limits the amount of combat readiness training that can be accomplished. For example, the average Fleet wide Direct Maintenance Man Hour/Flight Hour (DMMH/FH) expended to maintain the F–4S is 40.3 as compared to 53.7 for the F–4N in the 4th MAW. For transport aircraft, the comparison is 15.2 man hours for the KC–130R in the Fleet versus 25.9 for the KC–130F in the 4th MAW. Additionally, Reserve C–130, AH–1 and OV–10 squadron readiness is permanently degraded due to insufficient aircraft available to bring them to full authorization.

A modest modernization program has been proposed. Included in the fiscal year 1982 amendment is funding for the introduction of an EA–6A squadron. In the future, we hope to add another F-4 squadron plus additional KC–130s, AH–1s and OV–10s which will bring our Reserve squadrons to a fully combat ready equipment status. Adequate F–4, AH–1 and OV–10 aircraft assets are projected to be available in the outyears to support this modernization and capability enhancement, but KC–130 procurement will be required to achieve our goals in this critically short aerial refueler/intra-theatre transport area.

The lack of an automated data processing system at the SMCR unit level to support administration, training, supply accounting, maintenance management, mobilization and to achieve compatability with active forces has been redressed in the budget. Acquisition of this capability will substantially alleviate General Accounting Office and Defense Audit Service criticism of the manpower, pay and training management systems in the SMCR.

Adequate training facilities are essential to maintain readiness. Efforts are being taken to upgrade homesites to satisfy minimum training requirements, maintenance to sustain building life, adequate security and an acceptable quality of life standard for the occupants. Actions to improve habitability and eliminate maintenance backlog are included in the fiscal year 1982 amendment. Construction is programed or underway to replace 13 aged centers by 1985. In addition, 46 facilities are in need of total replacement/renovation. The latter projects are unfunded at this time.

INDIVIDUAL MOBILIZATION AUGMENTEES

Individual Mobilization Augmentees are members of the SMCR who are in a paid drill status, but not members of the 4th DWT. These are individuals who are preassigned to mobilization billets which must be filled on or shortly after M-Day and whose mobilization duties are of such a nature that the individuals must be available immediately upon mobilization and mandatory training assemblies and annual training is required. Although not under this appellation, the Marine Corps has had such a program in effect since 1976. Individuals are preassigned to external billets such as CINC staffs, the Selective Service System, Naval Readiness Commands and Naval Reserve Mobile Construction Battalions and, internally, to headquarters staffs and communication units.

Lessons learned from the last mobilization exercise, Proud Spirit, have clearly identified the need for a greater number of trained, readily mobilizable individuals to fill billets throughout the Marine Corps which will be critical at the outset of mobilization during a contingency or war. Following Department of Defense guidance, the plan is to preassign and train these individuals in their mobilization assignments utilizing training assemblies and/or annual training. The present base of 236 IMA's is projected to expand by 700 during fiscal year 1982. Examples of locations where IMA's will be assigned include Fleet Marine Force staffs, Operation Centers, mobilization processing centers, recruit depots, schools, and the like.

THE INDIVIDUAL READY RESERVE

Should mobilization be ordered, the prime source of individual fillers for active and Reserve units will be the Individual Ready Reserve (IRR) which constitutes approximately 60 percent of the Ready Reserve. The IRR is a viable source of pretrained manpower to provide qualified individual reservists to bring the active Fleet Marine Force, SMCR units and base support activities to wartime strengths. As of the end of first quarter, fiscal year 1981, the IRR had 3,856 officers and 51,070 enlisted for a total population of 54,926. Strength is projected to increase to approximately 57,800 by end fiscal year 1984. This increase is a function of increased accessions in the active force, Department of Defense direction to transfer SMCR substandard performers into the IRR vice the Standby Reserve, and the effects, as yet unquantified, of the new IRR bonus.

Overall, the population is healthy. More than 50 percent have been off active duty less than a year. Sixty-one percent of the officers are captains and below while 96 percent of the enlisted are sergeant and below. There is, therefore, sufficient aggregate strength to meet the wartime requirements of approximately 2.5 thousand by M+10 and over 40 thousand by M+30.

The Marine Corps must assure that the IRR is continually categorized, trained and available to meet all mobilization requirements. At the present time, the IRR is not adequately grouped, for management and training purposes, to assure availability of the proper mix of trained personnel to meet wartime requirements. Further, the Marine Corps Reserve lacks an adequate management organization to manage and insure the mobilization readiness of individual reservists. These are critical defects as increasingly stringent mobilization response parameters necessitate the attainment of a higher individual Reserve respone posture.

Recognizing these deficiencies, a comprehensive program has been initiated and the necessary funding included in the fiscal year 1982 amendment.

Pursuant to DOD guidance to establish individual Reserve management programs, an organizational structure consisting of personnel, facilities and equipment will be established to receive, administer, assign, train and discharge individual reservists. Integral to this management organization is an ADP capability to support the administration, pay and pre-mobilization assignment of selected individual reservists during peacetime and adequate system support for the mobilization of pre-trained individual reservists during contingency or war.

Another innovation, being undertaken in response to DOD guidance to identify positions requiring early IRR fill and preassign IRR members to these positions, is to categorize as mobilization designees selected members of the IRR who will be needed at or shortly after mobilization. Where possible these mobilization designees will be grouped into Reserve Augmentation Units (RAU's) for ease of administration, training, and call up. Examples of the purposes for which RAU's would be formed are: establishment of mobilization processing centers and stations; headquarters staff augmentation; and training and supporting base augmentation.

The first steps to implement this concept are already being taken. The Mobilization Station Program is one which has been considerably refined during the past fiscal year. Conceptually developed in fiscal year 1979, the Mobilization Station Program proved in Nifty Nugget to be a viable and valuable tool in the mobilization process. Established at 50 mobilization/Reserve training centers, the stations will function as decentralized personnel processing activities for individual reservists, former service and retired personnel prior to their being assigned to active duty and transferred to an SIA.

The current 150 Mobilization Training Units (MTU's) will also undergo a reorganization in line with this concept. The present mission of these units is to increase and maintain mobilization readiness of certain members of the IRR. This mission will be redirected to coincide with that of RAU's. Eventually, they will all be converted to RAU's with individual membership consisting of Individual Mobilization Augmentees and/or IRR mobilization designees. This transition process has started with the conversion of MTU's to RAU's supporting Mobilization Processing Centers.

Concurrently, Reserve Counterpart Training (RCT) and specialized skill refresher training are being expanded. These programs are designed to prepare individual reservists for mobilization assignments by placing them alongside active duty counterparts at Fleet Marine Force units, posts and stations throughout the United States. These programs have been exceptionally well received by both host commands and individual reservists. Nearly 1,500 officers and enlisted are programmed for participation this fiscal year; over twice the number during fiscal year 1980. These programs will eventually evolve into the medium through which mobilization designees are trained, thereby ensuring these individuals possess the necessary skill level to perform in their mobilization billets.

An encouraging by-product of the RCT program has been an increasing number of requests for individual reservists to augment regular tactical headquarters during large exercises. Individual reservists participated in a Rapid Deployment Joint Task Force exercise with I Marine Amphibious Force, a III Marine Amphibious Force exercise in Korea, and a regimental firing exercise at Fort Bragg, North Carolina. This type of employment affords a unique opportunity to assist the regular Marine Corps in the full spirit of Total Force while providing excellent premobilization training to the reservists involved.

FULL-TIME SUPPORT

There is a greater need for full-time support personnel. The Marine Corps already contributes 4,435 active duty officers and enlisted to the Reserve component. This is a significant and visible manifestation of the Marine Corps' commitment to the Total Force. On the other hand, in a time of competing demands for skilled personnel, there is a finite limit to full-time active duty support. For this reason, we intend to make use, for the first time, of the provisions of Sections 672(d)/678, Title 10, USC to bring on active duty full-time Reserve support personnel to assist the regulars in organizing, recruiting, instructing and training the Reserve component. The addition of 66 full-time personnel in fiscal year 1981 and 380 in fiscal year 1982, beyond the 67 now authorized under Section 265, Title 10, USC, will permit the realization of those readiness enhancement measures previously described. Not to do so would be tantamount to artificially capping the expansion and mobilization potential of the Reserve.

THE BUDGET

To be separately provided.

SUMMARY

Overall, the Marine Corps Reserve is showing steady progress. 1980 was a good year and 1981 promises to be even better. Much has been done. Much remains to be done. We need your help. But, should the call come, be assured the Marine Corps Reserve will answer as it has for the past 65 years.

Senator JEPSEN. Thank you.

The Chair recognizes the patient gentleman from Virginia, Senator Byrd.

Senator BYRD. Thank you.

Admiral, in reading your statement I assume that you agreed with the general and as a matter of fact I think you sort of state that in your statement, that as economic conditions improve, recruitment will become more difficult; is that right?

Admiral ZECH. Yes, sir, that is the Navy's position.

Senator BYRD. Of course the major thrust of the President's program which all of us hope will succeed has to do with improving the economy and reducing civilian unemployment. Now, that will make your job more difficult?

Admiral ZECH. Yes, sir, we feel it will.

Senator BYRD. How would you propose to handle that?

COMPETING WITH PRIVATE INDUSTRY FOR MANPOWER

Admiral ZECH. The economy has a very direct bearing, we believe, on the success that we have had in Navy recruiting during the past year. If the economy does improve greatly, we feel that our recruiting challenge would be significantly greater. I would imagine that in order to compete for those quality people that we are now bringing in the Navy, and need to continue to bring in the Navy, we would have to find a method to compete with industry. Increased compensation is certainly an initiative that would be required to compete with industry if the economy were to improve. I think that would probably be the most significant area. We must bring in the quality. The economy has historically had a direct bearing on our ability to recruit the numbers and the quality we need, and I think that compensation would have to be something that you would have to address very carefully.

Within the Navy itself there are many initiatives going on to improve retention. We have touched on them very briefly, but the Chief of Naval Operations has a significant initiative going on at the moment, as Under Secretary Murray pointed out, to increase pride and professionalism. We feel that that kind of an effort will have a significant bearing on our retention. We are not just leaving it all to compensation, We are working ourselves to keep the best people we can, but we do feel that the economy has a direct bearing on our recruiting and retention success.

Senator **Byrd**. You mentioned attrition a number of times and Secretary Murray mentioned attrition several times. What was the attrition rate for 1980 among those enlistees on the first enlistment?

Admiral **Zech**. Our attrition in 1980 for those on their first enlistment was 9.3 percent and was reduced considerably from the previous year.

Senator **Byrd**. The attrition was 9.3 percent?

Admiral **Zech**. Yes.

Senator **Byrd**. What was it in 1979?

Admiral **Zech**. 10.2 percent in 1979.

Senator **Byrd**. What was it in 1978?

Admiral **Zech**. 11.6 percent.

Senator **Byrd**. What was it in 1977?

Admiral **Zech**. 15.7 percent.

Senator **Byrd**. What was it in 1976?

Admiral **Zech**. I don't have that with me. I only have it starting in 1977.

Senator **Byrd**. Let me ask you this: Of every 100 enlistees in 1975, how many reenlisted, how many of that 100 enlisted in 1978 when the first enlistment period expired?

Admiral **Zech**. I don't believe I have that with me, Senator Byrd. I would be happy to furnish it for the record.

[The information follows:]

I would like to simplify the complicated answer to that question by tracing the behavior of that group of 100 enlisted from their entry in 1975 through to their reenlistment points. Roughly speaking, 83 of them make it through initial Recruit Training. By the end of the typical four year first term, 20 more were lost by way of attrition through disability, administrative and disciplinary discharges, and the like. Of the 63 survivors, 6 were ineligible for reenlistment due mainly to substandard performance, leaving 57 eligible for reenlistment. Of the 57 eligible, twenty-three reenlisted in 1978 for a survival rate of 23 percent. Therefore, of every 100 enlistees in 1975, 23 reenlisted in 1978.

Senator **Byrd**. Let us get up to the current date. Those who enlisted in 1977 and their term expired in 1980, how many of those were reenlisted?

FIRST TERM REENLISTMENT RATE

Admiral **Zech**. Let me see if I have that here. In 1980, the first term reenlistment rate was 36.7 percent.

Senator **Byrd**. Now, does that take into consideration the attrition rate?

Admiral **Zech**. That is figured on a DOD formula, which considers reenlistment plus extensions, as a numerator, and the denominator is eligible plus extensions.

Senator **Byrd**. It seems to me there is a fundamental question and I don't see why the personnel people don't want to have this in their mind. Of every 100 enlistees in their first enlistment period, how many of that 100 reenlist? Isn't that a fundamental question?

Admiral **Zech**. Yes, sir, it is. In 1980, 36.7 percent reenlisted.

Senator **Byrd**. But that does not include those who were attrited; does it?

Admiral **Zech**. That does not include those who were ineligible. If you used that figure, it would be about 26.1 percent.

Senator **Byrd**. Now you are getting somewhere. It is 26.1 percent of every 100 men who went in the service, only 26 reenlisted at the end of their term; is that right?

Admiral **Zech**. That is not quite right; 26.1 percent of those who reached the end of their enlistment reenlisted.

Senator **Byrd**. Now, do you know what that figure was for 1979?

Admiral **Zech**. Yes, sir, it was 24.3 percent.

Senator **Byrd**. How does that figure impress you? Is that a lower figure or a high figure, or about what you want?

Admiral **Zech**. We would like a higher figure than that. Actually we would like for our first term reenlistment rate, using the DOD formula, to be 45 percent. We figure that would be a healthy first-term rate and that is our goal.

Senator **Byrd**. So you would almost have to double what you are doing now to get that from 26 percent?

Admiral **Zech**. Using the 26-percent figure, it would be a lesser amount. I would say 26 percent would equate to about 35 percent if computed by the DOD formula. It would be higher than we are doing now in either case.

Senator **Byrd**. I thought you would want 45 percent.

Admiral **Zech**. The 45-percent goal relates to the DOD formula. Using this formula the rate is 36.7 percent now. If I use the number that you are asking me to use, counting everybody, which means including the ineligibles, that rate would be 26.1 percent, as opposed to 36.7 percent, which does not include ineligibles. I would say that my 45-percent goal, which equates to 36.7 percent, would drop to about 35 percent when equated the 26.1 percent reenlistment rate.

Senator **Byrd**. General, how does your figure relate to that 26.1 percent?

General **Bronars**. We are talking about reenlistment rates. Our reenlistment rate for fiscal year 1980 was 35.4 percent. You need a definition on that. Reenlistment rates are the percentages that reenlist from those that are identified as being eligible.

Senator **Byrd**. Those who have completed their first enlistment period.

General **Bronars**. No; those who have a record that you would like to maintain in the corps. Out of the percentages that were recommended by the command, we were able to reenlist 35.4 percent. Now, if you are talking about retention, and that includes everybody that is separated from the service, we were able to retain 21 percent in fiscal year 1980.

Senator **Byrd**. Does that take into account attrition rate?

General **Bronars**. Yes. That takes into account those marines that have departed the service before or at the completion of their obligated service.

Senator **Byrd**. I want to get to that figure if I may. What would it be if you took 100 persons, how many of that 100 would reenlist?

General **Bronars**. Out of 100 separations, we would expect to reenlist about 21.

Senator **Byrd**. So you would reenlist about 21 out of 100 that you originally enlisted?

General **Bronars**. Yes. That is about right.

Senator **Byrd**. Isn't that a very low figure?

General **Bronars**. Yes sir, it is low; that is what we experienced in fiscal year 1980; however, this year we are doing considerably better. Through February 1981 our retention increased to 25.5 percent.

Senator **Byrd**. I have here the information that was worked up on September 18, 1980, and out of 100 persons who enlisted, how many reenlist, and the Marine Corps was 11 percent, and I guess that was for 1979.

General **Bronars**. It varies. We keep track of first-term reenlistments, intermediate reenlistments, and career reenlistments.

Senator **Byrd**. I am speaking of first-term reenlistment only.

General **Bronars**. In fiscal year 1980 our first-term retention rate was 11.1 percent. Through February 1981, our first-term retention rate increased to 12.5 percent.

Senator **Byrd**. That is certainly a very low rate.

Mr. **Murray**. I think in both services it is too low and it is precisely to turn that around, that we are working on so many measures, as you know so well, and that the committee has been so helpful on. We don't wish to count in that portion those individuals we wouldn't want to keep in the service because they are not contributing productively to the service. It is the eligibles that we are after.

Senator **Byrd**. But that isn't the total point. The total point as I see it is that the taxpayers are paying to train those people, and you are recruting 100 men and women.

Mr. **Murray**. Indeed, but, some of them aren't going to make a career of the service just because they don't want to.

Senator **Byrd**. And you wouldn't want all of them.

Mr. **Murray**. Some of them you wouldn't want to make a career in the service, but there is a certain other portion of people who, if we do our job as perfectly as we can, we can salvage. These are people who may not begin productively, but we hope to be able to keep them on and thus get the most for the taxpayer and the most for ourselves. As Admiral Zech said, the trends in that area are favorable;

attrition is down, but it is not as good as we would like it to be. We think the turnaround in the attitude of the country is going to be very helpful. For example, we got the best "welcome home" in Norfolk, Va., coming back from the Indian Ocean, that we have ever had since World War II. That kind of attitude in the country is going to make a difference in the force. The compensation initiatives are helpful. Pride and professionalism, all of that, is going to help.

Commanders are being talked to by the Chief of Naval Operations about the attrition rate and trying to salvage people. On the other hand there are some people who proved themselves to be totally uninterested and disinterested in being "salvaged," if I may use the word. There is a limit to how much effort you ought to expend to keep those people in the service when they are so vehemently opposed to it. Those people will leave.

Senator BYRD. What I am sort of suggesting is that I think the recruitment procedures need to be tightened considerably. Let me ask you——

General BRONARS. May I address that question further? There is no question that we are as concerned as you about the first-term attrition rates, and we keep very close statistics on them. For example, the group that was accessed in fiscal year 1977 experienced a 30.7-percent first-term attrition. That is, 30.7 percent never completed their obligated service and a part of that, of course, is caused by the attrition and that occurs while they are in depot training. We experience about 12 percent attrition at recruit depot training. The answer, as you suggest, is quality recruiting. One of the reasons that high school graduates are so emphasized in our program is that the non-EAS attrition of high school graduates is about 50 percent that of non-high school graduates.

EMPHASIZE QUALITY RECRUITING

We continue to emphasize quality recruiting. We think we are making substantial progress, and our attrition has gone down over the years. Your concern is certainly shared by us. The more successful we are in recruiting the type of individual that will complete his first term, and therefore become available and can be influenced for reenlistment, is the name of the game. We are trying very hard to accomplish that.

Senator BYRD. I wonder if I might have inserted in the record this memorandum prepared by the staff, September 18, 1980, dealing with three questions I raised today?

Senator JEPSEN. Without objection it will be inserted in the record as you requested.

[The information follows:]

ENLISTMENT PERCENTAGES, ATTRITION PERCENTAGES AND USE OF BONUSES

As you remember during the full committee hearing on the fiscal year 1981 Defense Authorization bill last winter, you had numerous questions relating to reenlistment figures. In particular, you asked the question "Out of 100 persons who enlist, how many reenlist?" The Department of Defense provided answers to your questions in the record.

[In percent]

	Army	Navy	Air Force	Marine Corps
Questions:				
1. Out of 100 persons who enlist, how many reenlist?	14.0	22.0	22	11
2. Out of 100 persons who enlist, how many are separated?				
(a) Prior to 6 mo	13.0	12.0	10	17
(b) Within 1 yr	19.0	16.0	14	21
(c) Before the expiration of 2 yr	29.0	24.0	21	32
3. Of every 100 persons who received an enlistment bonus, how many reenlisted?	15.0	(1)	(1)	15
4. Of every 100 persons who received an enlistment bonus, how many were separated from the service:				
(a) Prior to 1 yr	5.0	(1)	(1)	5
(b) Prior to 2 yr	14.0	(1)	(1)	13
5. What percentage of enlistees receive enlistment bonuses?	10.6	[2]4.5	(1)	9
6. Out of 100 enlistees, how many persons reenlist that are:				
(a) High school graduates	17.0	25.0	24	14
(b) Non-high-school graduates	10.0	18.0	16	11

[1] Enlistment bonuses program not in effect long enough for data to be collected.
[2] Projected.

Note: Reenlistment data based on 1975 enlistees, reenlisting during 1979.

Senator BYRD. I think that will be all for the moment.

RETENTION

Senator JEPSEN. Admiral Zech, we are talking about retention and I have some statistics that are hard to understand if they are, correct. Retention of both Naval Academy graduates and regular ROTC graduates has declined significantly since fiscal year 1976. In the case of the Academy retention, it dropped from 67 percent in fiscal year 1976 to 41 percent in fiscal year 1980. On the other hand your ROTC has risen sharply from 19 percent in 1964 to 62 percent in fiscal year 1980. Can you explain the reason for those retention figures?

Admiral ZECH. The officer candidate school retention rates have risen over the years that you indicate. I would point out that the Naval Academy retention rate is still considerably higher, something like 20 percent higher, than the OCS retention rate. It is something that we are watching very carefully. First of all I would like to say concerning officer candidates' school——

Senator JEPSEN. Before you go further, you said it is still higher. You mean in general? Now in fiscal year 1980 the retention rate for OCS graduates was 62 percent, and for the Academy graduate it is 41 percent, but you said in general the Academy is still higher.

Admiral ZECH. I have some different figures, I believe, Mr. Chairman. I have mine broken down in different categories and I don't have those same numbers that you have. I do know that the Naval Academy graduate retention would show that Naval Academy retention still exceeds officer candidate school retention by about 20 percent. We have looked into the situation of declining Naval Academy retention, declining ROTC officer retention, and increasing officer candidate school retention.

We figure there are a number of factors involved. First of all there is the officer candidate school. That candidate these days is a different young man or woman than he was in the draft era. These are people considerably older, something like an average age about 26½ years old, so they are generally more mature and they are possibly more certain of a career when they come in. In general we feel that the officer candidate school candidate is coming in with a little more potential for a career than he was years ago. There are true volunteers coming in these days at officer candidate schools. They also could be more motivated than they were in the past. Second, in the Naval Academy and ROTC we have a rule that requires 80 percent to be enrolled in technical majors. We do not have that same requirement for the officer candidate school. We are indeed losing more from the Naval Academy than we have in the past. We figure that this is related to our overall problem of losing midgrade officers, because our Naval Academy and ROTC graduates have a technical background and, generally speaking, a scientific or engineering background is more attractive to civilian industry.

I would only say that we are watching that phenomenon very, very carefully and feel that we must do everything we can to continue to retain our Naval Academy and NROTC officers who have traditionally been the career officers in our Navy. I would also say that we are rather pleased that we have some officer candidate school officers coming in who seem to be career motivated, but we are not at all pleased with the loss from the Naval Academy and the NROTC. We are concerned about that.

BATTLESHIP AND CARRIER REACTIVATION

Senator Jepsen. You have partially answered this and I wondered if you had any more comments on it with regard to the DOD budget calling for reactivation of the battleships *Iowa*, *New Jersey*, and carrier *Oriskany*. That is, another 688 and two additional frigates and sealift and amphibious ships and battleships—and should they be ready to go in 2 years? They require escorts and if the fact is that there are 20,000 petty officers short now and it takes many years to build this category, do you have a master plan for that?

Mr. Murray. We have something of a master plan on that, Senator.

Senator Jepsen. It is going to take one.

Mr. Murray. Yes, sir, it will. The battleships take about 1,500 men apiece, and if we commission the first two, that requires 3,000 men. The *Oriskany* might take 2,700 people, including the air wing. If you add a 30-percent support factor tailored to that, you are talking on the order of about 7,000 people. We think the additional end strength requests that we are asking for, plus the increased retention if it continues as good as it has been this fiscal year, will enable us to man those ships.

We have, as I mentioned in my opening remarks, a sizable petty officer requirement over the course of this decade. Most of the ships required for a 600-ship Navy are not going to be built until the end of the decade or later. It remains to be seen whether we can reach our overall petty officer and end strength goals.

We think we can. It depends tremendously on the support of the country and the support of the Congress and this committee in all of the areas we have been talking about up to now. But we don't see the near term demands as so great as to be unmanageable when the battleships, the *Oriskany*, and the additional submarines arrive.

Senator JEPSEN. I didn't do a very good job of asking my question, because I meant to ask about the 50 and 60,000——

Mr. MURRAY. This is to build the 600-ship Navy, at whatever pace that is done.

Senator JEPSEN. Were you talking about petty officers and I put "worldwide" alongside that?

Mr. MURRAY. That was a perceptive remark.

Senator JEPSEN. If we are 20,000 short now and we are adding these things again, and I am talking about 2 years now, I didn't hear any specific roadmap plan. I am not asking you to make up one but you said you have no problem or you are not worried about it.

Mr. MURRAY. That is not correct. When I testified before this subcommittee last fall, I said with the sea pay, sub pay, and other benefits we proposed to you, we could produce an extra 23,000 petty officers by 1984 or 1985. That is measured against a 30,000-petty-officer shortfall that we saw theoretically developing by that time. We needed another 30,000 with programs already underway. That still left us with a shortfall of 7,000, but a much smaller one than we have today. Against that 23,000 expectation we have already achieved, as a result of the legislation, some 4,000 people. In our judgment, if we keep up compensation levels we can achieve the kinds of manning that will allow us to increase the fleet in the way we believe is needed. We recognize there are a lot of uncertainties in this, but history supports this judgment. For example, our second-term reenlistment goal is to achieve a 76-percent reenlistment rate. It is now about 58.4 percent. If you look back to 1973, when the mood of the country was not so favorable toward defense as now—but pay was comparable—we were reenlisting second-term personnel at a 79-percent rate.

We don't think it is an impossible proposition but we do think, as Admiral Zech has said, it is a tremendous challenge to us. It is going to require the closest cooperation between the Congress and the executive branch to achieve it.

Senator JEPSEN. Was it true last year that we had a ship that couldn't get underway because it did not have enough people to steam safely?

Admiral ZECH. It is true we did have a ship that we kept at the pier because of a manpower shortage last year.

Senator JEPSEN. Do you think that will happen again?

Admiral ZECH. No, sir, I do not. I think that we have now achieved an improvement in our personnel readiness and that if we can continue the momentum we will not have that kind of a situation occurring again.

MANPOWER/READINESS CONDITION

Senator JEPSEN. I understand there is a large number of combatants that are classified as marginally or not ready for combat. Before I pursue that I want to check each time I make a statement like this, is that essentially correct?

Admiral ZECH. It is essentially correct.

Senator JEPSEN. In the event of hostilities, how do you man these ships? Are you talking about the general readiness problem? What is the thought of——

Admiral ZECH. The manpower-readiness condition generally declined through fiscal year 1980. The manpower-readiness condition in the first few months of fiscal year 1981, reflecting improvements in our retention, is improving slightly. If we do not have further improvement in retention, we will again see a decline in readiness. We must continue the petty officer retention in order to improve our readiness condition. The numbers of ships that we have had in a marginally ready condition throughout 1980, that number should go down in 1981 if we can improve our manpower situation. Readiness and retention are directly related and I think we have some reason for optimism, but I am cautious about it, Mr. Chairman, because we need to see more data come in.

The reenlistments we have had so far as a result of these compensation initiatives have shown that perhaps we have bottomed out, but what I really need is about 2 or 3 more months to see whether our readiness will be improved significantly. Frankly, at this stage it is a bit too early to state for certain.

Mr. MURRAY. If I could add two points. One, the readiness measurement which you spoke of, and which you accurately spoke of, is, of course, a wartime standard. We measure ourselves in peacetime against wartime needs. So it isn't that the ships can't operate, it is that we don't consider them at this point to be as ready as we would like them to be in a wartime sense.

But point two, it isn't so much the wartime manning that is a problem for us as it is peacetime manning. In wartime we wouldn't allow the sailors to stay ashore the way we do now. We would send them aboard the ships.

Senator JEPSEN. What about those who are deployed when the hostilities occurred?

Mr. MURRAY. We do our best to keep our forward deployments, particularly in areas of tension, at the higher levels of manning and "cheat", if I may put it that way, on the ships that are closer to home. We could also reinforce the ships that are overseas in times of tension by flying people out to the ships. We do that now.

Admiral ZECH. We do indeed have a plan to do that very thing with our Selected Reserve units when called. Of course for mobilization, we have a separate plan that would augment our ships that are deployed as well as those that are based in the United States.

Senator JEPSEN. General Bronars, you mentioned that you had been increasing reception and positive reception and utilization of public service advertising, I think I recall you saying?

General BRONARS. Yes.

Senator JEPSEN. That is a good sign. What do you accredit that to?

General BRONARS. Well, I think it would indicate that local and national radio and TV and other advertising outlets people are more willing to provide that type of support to us. There are of course certain restrictions on that. You cannot invest a lot of advertising money in a particular advertising forum and also gain their support on a nonpaying basis. We are selectively using public service advertising in areas that we think would complement our paid advertising effort to the extent possible. We have recently experienced some success with public service in the TV advertising on TV using short spot commercials prepared specifically for this purpose.

Senator Jepsen. Is there anything special about public service advertising that give you any better results than the ones you pay for.

General Bronars. No, sir, except you don't have to pay for it.

Senator Jepsen. Mr. Murray, what has been the impact of the new reenlistment bonus program for the 11 through the 14 years of service personnel?

Mr. Murray. The zone C bonus, as it is called, is a very useful one. Seventy-three percent of the people have taken advantage of the zone C, 11 to 14 years, bonus program.

Senator Jepsen. Is that the number that reenlist?

Mr. Murray. Yes, sir.

Senator Jepsen. That was compared to what a few years ago?

Mr. Murray. Admiral Zech might have that figure. That was zero because we didn't have a bonus.

Senator Jepsen. I know you did not.

Mr. Murray. How many people in that category reenlisted without the bonus? I will have to furnish that for the record.

[The information follows:]

In zone C eligible bonus skills we projected 1,091 reenlistments in fiscal year 1981 without a zone C bonus. With a bonus we project 1,226 reenlistments in those skills or an increase of 175 reenlistments. This translates into an approximate 10 percent increase in LOS 11–14 retention in designated skills over that which we would have expected without the bonus.

Admiral Zech. I might add, to translate that percentage into numbers, about 175 more enlistments have occurred because of the zone C bonus.

Mr. Murray. That may be the answer, in nonpercentage terms.

General Byonars. We have been monitoring zone C in the Marine Corps. The first year we devoted a small amount of our funding to it—$4 million. Our returns have been significant. We have 296 actual zone C bonus applications out of a total of 1,405. That represents some 21 percent of all our career reenlistments. You have to realize that you apply a bonus only in the short skill areas, so in that context it has been a significant enhancement. Most importantly, it retains those highly qualified technical personnel who require a lot of training time and represent essential to supervisory capabilities. We think it is a very important program.

We are going to increase zone C reenlistment bonus funding in the future.

OUT-OF-POCKET EXPENSES

Senator Jepsen. We have heard this year a great deal about the out-of-pocket expenses borne by servicemen in the execution of their official orders. Is there anything in this area of reimbursement for expenses that is peculiar to the Marine Corps, General?

General Bronars. There is one. We have a legislative proposal working that has gone through the Department of the Navy and is now at the Department of Defense, that would provide for the storage of household effects for Marines on our unit deployment program. The present law does not allow for that. It only allows for storage of household effects associated with any transfer beyond 9 months. As our unit deployment program is considered temporary active duty, it has limitations of 6 months.

Right now, there are no provisions for nontemporary storage. We feel it would be very important to get that provision into law, and this then would allow us to support those marines participating in the deployment program.

Senator JEPSEN. Is there anything peculiar to the Navy?

Admiral ZECH. We have the same kind of a situation, Mr. Chairman. Our problem is not as severe as the Marine Corps, but we do have a small fraction that the provision would cover. We would support the Marine Corps' interest in that area.

Mr. MURRAY. This ought not to be an area of compensation but an area of doing normal business. That is to say, when we send somebody to a certain place on orders, he ought not to have to absorb the cost of going; therefore, we do not think of this as a compensation to the member but, rather, just a normal way of doing business on our part.

Senator JEPSEN. This must be mental telepathy, and the next question he was going to ask was a general one with regard to both General Bronars and Admiral Zech, or any of the three gentlemen, with regard to this.

There are some who believe the only way to make the All-Volunteer Force work is to spend significant amounts on recruiting bonuses, compensation, and benefits. One alternative, as I see it, and some see it, is some form of national service.

In your personal opinion, do we need a draft during the 1980's to man the fleet?

Mr. MURRAY. My personal opinion is that the draft would be a good thing for the country and ought to be very fairly weighed and debated. My feeling is that it would not solve most of the Navy's manpower problems. In particular, first, we cannot use many 2-year people because of our long training requirements, and second, most of our problems stem from the need for career petty officers. Neither of these things will be helped or solved by the draft, although the draft may induce high quality people to select the naval service rather than some other service. At least that has been our experience previously.

I think the problem I see with the draft is, how do you work it out in a way that is politically fair to the people involved, so that the country accepts it in a political way?

AN EQUITABLE DRAFT

Admiral ZECH. Mr. Chairman, in my personal opinion, I also think that the draft would be good for our country. I think the draft is something that would allow our young people to play a part in the future of our country and in their destiny.

On the other hand, I cannot tell you that a draft is necessary today for the Navy because we have met our recruiting goals for the past 15 months now. We have met them with a quality which, I think, is adequate and so I cannot say the Navy needs a draft. I would support the Chief of Naval Operations' view and the Under Secretary's view that a draft would be good for our country.

General BRONARS. I don't think the Marine Corps is a good gage of whether the All-Volunteer Force is working. We find much of middle America still inclined to enlist in the Marine Corps because the Marine Corps image appeals to the young man and woman. So our success or nonsuccess with the All-Volunteer Force is not a basis for expressing my personal views on the draft.

I feel that every American has a responsibility to serve his Nation, and I think the most equitable way of arriving at that would be some sort of a selective service system. Granted, the military can't use the total population of young people who come into this age group, so there would have to be serious thought given to applying a selective service system that would be equitable.

From the standpoint of whether the draft would work better or not, I don't think there is any definitive evidence to support any conclusion on this issue. The Marine Corps has, under the All-Volunteer Force, managed to provide a disciplined, ready force. We have managed to meet our manpower requirements, but I must emphasize that we are not a good gage on whether the All-Volunteer Force is working.

Senator JEPSEN. Thank you.

Senator NUNN. I don't want to interrupt your questions, so go ahead.

Senator JEPSEN. I have had more than my share and I thank you for coming.

Senator NUNN. It is my honor. I suppose today is one of my mixed feelings. Certainly the Democrats didn't want to lose control of the Senate, but I am just delighted that you are chairman of this subcommittee. You have been so attentive when I was chairman and you have been totally cooperative, and also because I think someone else ought to carry this total burden for a while.

I do pledge to you, Mr. Chairman, that I am going to cooperate with you like you did with me, which was 100 percent. I don't think anybody can do a better job than you can. So I will look forward to working with you and Senator Exon.

NAVY RETENTION

Admiral, I have a few questions. I am sorry I wasn't here to hear all of your discussion, but I want to ask you two or three questions relating to the Navy retention and I will ask Secretary Murray, and I will let you answer as you see fit.

On the chart on page 15 of your statement you indicate that the total number of careerists in 1974 was 193,800, and in 1980 it was 193,100, which is about the same level. During that same time frame, 1974 to 1980, the actual total career force went from 475,000 down to 460,000. So in 1974 the career force was about 41 percent of Navy enlisted personnel and in 1980 it represented 42 percent of the enlisted personnel.

Is that correct so far?

Admiral ZECH. Yes, sir.

Senator NUNN. So we have a larger proportion of career force now against the total enlisted force than we did in 1974.

Admiral ZECH. No, sir, that doesn't sound correct.

Senator NUNN. Well, if these numbers are correct it is, because you have less total enlisted and you have almost as many in the career force right now. In 1974 you had 193,900 careerists.

Admiral **Zech**. That is right.

Senator **Nunn**. In 1974 you had 475,000 total enlisted.

Admiral **Zech**. That is right.

Senator **Nunn**. In 1980 it was 460,000.

Admiral **Zech**. That is right.

Senator **Nunn**. So if my percentages are correct, in 1974 about 41 percent of the Navy enlisted personnel were careerists.

Admiral **Zech**. It is about the same, that is correct.

Senator **Nunn**. Did we have a critical petty officer shortage or a career shortage in 1974.

Admiral **Zech**. We had essentially the same overall shortage essentially, and we had a total petty officer shortage that is very similar to the one we have today.

Senator **Nunn**. That was way back in 1974.

Admiral **Zech**. Yes, but there is a big difference. The total Navy was about the same size in 1974 as it is today with very little difference. The shortfall of petty officers was about the same in 1974 as it is today. The shortfall of about 22,000 petty officers has varied somewhat over the years but averages about 20,000 petty officers over those years.

So there has been a quantitative shortfall existing for some time. The real problem we have now is the qualitative shortfall and that is caused by a shift in the 5- to 10-year petty officers, the 10- to 20-year petty officers, and the 20- to 30-year petty officers. What has happened is that in 1974 we had about 120,000 senior petty officers and about 80,000 junior petty officers. Today the situation is reversed.

Senator **Nunn**. So your big shortage is in your senior petty officers today, even though your overall shortage is about the same. You have many more junior officers than you did but many less senior officers.

Admiral **Zech**. That is correct.

Senator **Nunn**. This brings up this question: In 1979—and you correct me if any of these figures are wrong. In 1979 the Navy had about 8,100 people with 18 years of service, and about 8,800 with 19 years of service. In contrast there are only 6,600 with 13 years of service and about the same number with 14 years of service.

Now, what we have is the 18- and 19-year career service personnel in 1979 are approaching the 20-year retirement mark. I am sure that many of them, as always, will leave when they reach the 20-year mark. But since the numbers of people with 13 and 14 years of service are lower, is it true that even if you retained 100 percent of these people with 100 percent, in other words, if you were to achieve the absolute perfection in retention of 13- and 14-year people, the size of the career force is still going to go down in terms of the career forms being people defined as people with 15, 16, 17, 18, 19 years' service?

Admiral **Zech**. The important factor there is that we must bring up the junior people to take the place of those more senior as their own seniority ranks. It is true that if we achieve our retention goal of 60 percent for petty officers with roughly 8 to 12 years of service it would take about 9 years to decrease this petty officer shortage.

Senator **Nunn**. You have gone back a few years but the point I was making is you take the 13- and 14-year experienced petty officers and you project 100-percent retention for them, with absolute perfection and nobody leaves, just the sheer numbers indicate that even though you have a problem today, you have 8,800 people, then we have 6,600 with 13 to 14 years and there is no way even with 100-percent retention you are going to make up that gap.

Admiral **Zech**. There is no way to recover in the short term. If we had actually achieved 100-percent retention across the board, it would take us something on the order of 3 or 4 years to make up the gap you are talking about.

There is no way in the next 3 or 4 years except for one thing, and that is if we can bring back the Navy veterans that have left in the past few years.

Senator **Nunn**. What are you doing on that?

RETURNING NAVY VETERANS TO SERVICE

Admiral **Zech**. We have a very concerted effort to bring those people back. As a matter of fact, last year we sent out many thousands of letters to everyone who left the Navy last year. Everyone who leaves can expect to recieve six letters from us in the 3 to 4 years after they get out. It is an automatic procedure we have to inform them what is going on in the Navy and to encourage them to come back.

Our Navy veteran's program, I might say, has been one that has been encouraging in the past few months because we are exceeding our goals for bringing back Navy veterans.

Senator **Nunn**. You are having success with that?

Admiral **Zech**. Yes; and as a result of the compensation of Congress we sent out a special letter informing them of the compensation initiatives and we are having considerable success with that approach.

Senator **Jepsen**. Would you yield just a second more?

Again I would ask if these figures are correct. You sent out some 27,000 letters and you received some 300 responses.

Admiral **Zech**. These letters concerned Selective Reserve recall. We sent out about 20,000 letters to people in the Selective Reserve who are in our critical ratings. We asked them to come back and we only brought back in the Navy about 300, but I am talking to Senator Nunn about a completely different program. These are Navy veterans, active duty people who left the Navy this past year. In that program we are having considerably more success.

Senator **Jepsen**. Did you send out letters for that?

Admiral **Zech**. Yes; we sent out letters for that also. For the Navy veterans we have a significant recruiting effort going on, and we keep track of every one who leaves the Navy. We send them letters asking them to come back. Through January of this year, we have brought back 2,895 Navy veterans since the beginning of the fiscal year when the compensation improvements took effect.

This is an instant petty officer, Senator Nunn, and this is a way we can fill our gap. You're exactly right, if we have to grow them from the beginning, it does take time. We have an effort not only to invite our reservists back, but also to invite back our former active duty petty officers. We are meeting with considerable success in bringing back former petty officers and that will help us to reach our retention goals sooner than we had planned.

Mr. **Murray.** Although what Admiral Zech is saying is strictly true, that the Reserves didn't respond to those letters in the way we would like in a callback for Reserve duty, many reservists have returned to active duty from the Reserves, and so there is probably some indirect benefit from those letters that he is not taking credit for. Reservists are responding by coming back in the active naval service, rather than returning as reservists.

Admiral **Zech.** That is true, and I should have said that. Letters are going out to the Reserves and our recruiters are making a special effort to bring Reserves back on active duty. They have come back in the regular Navy and the regular Navy gains, even if our numbers of reservists don't look that impressive. It is a team effort and we are encouraged by what we have seen so far.

Senator **Nunn.** I have just a couple more questions along that line. Are the lower number of people between 11 and 14 years of service which we have already talked about, are they the result of the decline in retention or do they reflect previous reductions and new accessions?

Admiral **Zech.** I would say both, Senator, because in the years 1977, 1978, and 1979 we missed our recruiting goals by roughly 5,000 each year. The reason we missed our goals is because we were holding the line for quality.

Senator **Nunn.** Let me stop you on that point. I agree with you on that and I agree with you on holding the line on quality. But doesn't that partially refute the premise that the draft doesn't have anything to do with the Navy's problems? That is what I don't understand, how you can make such a clear demarcation between your present problems that relate to moving from the Volunteer Force? It seems to me that you said the draft isn't immediately going to cure your problems, and you are not going to draft people with 14 or 15 years experience.

But isn't it true that a good many of your problems came about because you did have a decline in accessions and you had that because you weren't getting the quality and did you hold the line on quality?

Admiral **Zech.** That is absolutely correct, and if we did not have help, as we discussed earlier, from a declining economy, it is our view that we would have had a great deal of difficulty in meeting our goals.

Senator **Nunn.** Doesn't that lend credibility to the fact that even though a draft may not help the Navy's plans immediately, in this respect, it would very possibly or probably have a significant effect 8 or 9 or 10 years down the line?

Admiral **Zech.** Very possibly.

Mr. **Murray.** To the extent it induces people to come into the Navy for longer than 2-year periods for voluntary service; that is true.

Senator **Nunn.** But the large number of quality people you get in, it means that a larger number of them are going to stick and be trainable and stay.

Mr. **Murray.** That is absolutely true. It means that you have to extend your success by some significant number. If you expand the base to accommodate draft people, then some more of those are going to stay, but then, of course, you are spending your money training draft people.

Senator NUNN. If you directed the draft toward the more selective draftee than we have ever had before, that would go after more quality people in terms of high school graduates and intelligence levels, would your answer remain the same?

Mr. MURRAY. I think a lot depends on what happens, what is going on in the rest of the society.

Again, they have to be motivated to spend more than 2 years in the Navy and for some fair percentage of them to make it a career.

Senator NUNN. But once the Navy gets qualified young people in, then if you have the right incentives you have a better chance. The more higher quality people you get in the better chance you have of retaining some of them.

Mr. MURRAY. I hope so. Certainly quality helps us a lot. Everything works better with quality and if we are able to keep those high quality people in the service, then we have an overall better force. I think there is no question about that. To the extent that the draft drives people in that direction, we are benefited by it. To the extent it does not, we are not helped by it.

Senator NUNN. Let me ask you one other question, and I have had a good many Navy enlisted people tell me, as well as Army, that their desire to stay in the Navy is directly and in most cases adversely affected by what they perceive as less quality coming into the Navy. Even though you don't have a direct effect of a draft on 13- and 14-year-old people and career people being able to get people to that experience level, there is a connection, I think, between retention and the perception that both quality, morale, discipline, and so forth are going down. I don't think it is true, but do you see a connection here, Admiral?

QUALITY IN NAVY HAS DECLINED

Admiral ZECH. I certainly believe there is a connection in any organization. I feel certain that a factor in retention is the character of the service, the pride in the service, and the quality of people coming in. I would agree with that.

I think it is fair to say that over recent years, the quality in the Navy has perhaps declined slightly, but our figures show that in 1980, the quality took an upturn. There is no question that the Navy needs quality people for many reasons. It is not only because we are a fighting Navy and want to do a job for our country. I can assure you that we are ready to do that if called upon. But we need people who are really good at their jobs because it is a sophisticated and technical Navy. But you are absolutely right when you say that quality bears on retention. We think we are getting the quality we need. They both go together to improve the personnel readiness of our Navy.

Senator NUNN. I don't want to take too much time.

Senator JEPSEN. Take all of the time you want.

Senator NUNN. I had a situation in the last 2 months, and it was in the Army but this is also true of the Navy, and probably in the Marines. I know the Marines have adopted this quality thing and your statement is that quality begets quality, which I completely agree with. I think that is absolutely true, and I think finally the

Army is beginning to move in this direction, with considerable urging from this subcommittee.

But nevertheless, this particular example occurred with the Army; a chief warrant officer who came to Washington related this to me. He happens to be connected with helicopters, and the Army has pilots who are warrant officers, and also in charge of maintenance. I don't know whether he had six or eight people working under him but they were maintenance personnel and he said about half of them—they are in the 6th, 7th, 8th, and 10th year service level—were excellent, and he said that some of the ones—3 or 4 or 5 years that make up the crew—about half had a very hard time reading. They were not educated, and they had a hard time retaining skilled training. He said the people who are excellent could all get a job on the outside making more money because they could transfer that skill to helicopter maintenance or whatever, outside. But that basically they wanted to stay in the Army and they liked what they were doing.

But, he said, the thing that was going to cause them to leave—and he said at least two-thirds of them would—was that they were having to work 12 or 13 hours a day because the other people on the crew couldn't do their job always having to be retrained and spending so much time being trained that they didn't have time to do their job.

So the people who were the most skilled were getting ready to leave, in his opinion not primarily because of pay, although they could do better, but primarily because they were carrying an inordinate amount of the workload because of the lack of retentive ability of those that were working on the same crew with them.

Have you had or do you have anything like that going on in the Navy?

EXTRA SEA DUTY IMPOSED ON PETTY OFFICERS

Admiral **Zech**. The only situation I can think of that is parallel to that, Senator Nunn, is the requirement we are placing on our petty officers at sea these days, to stand extra watches, because of the shortage of petty officers and the numbers of inexperienced people.

I have not, in my experience, seen or heard that there are any significant problems with regard to dissatisfaction of our senior people with the junior people. I have listened to chief petty officers talk for all of my career and you can always find a few who think that the Navy is not as good as it used to be, but I have heard that so often that I found that these often are the chief petty officers who may not be the best ones. The good ones recognize that young people are looking for leadership and discipline, and it is a challenge to them.

I really don't think within the Navy that we would find that there is a tremendous dissatisfaction with our younger people.

Senator **Nunn**. I went on two ships about 1 year ago, and in fact the tour helped me to come to the conclusion that we had to do something in the pay, and particularly something about housing, and it was in San Diego.

On both of these ships, I met with all of the chief petty officers, 40 or 50 of them on one, and I think even more on the other, and I asked them several questions and they asked me a lot of questions too. But one of them was "Do you think quality is going down in the Navy?" And the answer virtually unanimously was "yes."

The second question was, "Do you think we ought to go back to the draft?" And it was absolutely unanimous, but it was related to the quality.

Now, I would say 50 percent of them raised their hands on both of those questions. But you are saying that certainly is not consistent with information you are getting.

Admiral ZECH. It isn't, Senator Nunn. I also say that I am not too surprised. When you ask a group of chief petty officers about the quality of the young people, at any duty station I can think of, they would say they are not as good as they used to be. I think that is a natural tendency.

I do really feel that there was some of that in their response to you. Possibly they thought you expected that kind of a response. I sincerely believe that the more thoughtful ones have a greater respect for the young people.

Senator NUNN. They weren't trying to please me because they spent most of the time giving me hell in a very, very frank way, which helped. I appreciated the frankness.

Admiral ZECH. Chief petty officers are the backbone of our Navy and God bless them for it, but I do think that they feel the young people are not quite as good as they used to be, and they try to make them better.

Mr. MURRAY. May I add one point?

I have talked to a lot of chief petty officers like that and some of them, when they talk about quality, really mean the attitudes of the Navy leadership toward the young people, the discipline and standards of discipline. They say, "I don't like this young guy because he doesn't say 'yes, sir, Chief', and 'hop to it, on the double', and nothing happens if I try to square him away."

So I think they felt over the decade of the 1970's that there has been a lowering of standards. I think the CNO in his pride and professionalism effort is going to cut into some of that perception of lower standards and, therefore, lower quality.

MORALE AND DISCIPLINE

Senator NUNN. I have read about that program and I think it is a step in the right direction. I think morale and discipline of the services is enormously important to you and I think it has gone down generally as part of the reflection on society in general, the same trend. It is probably true throughout society and the military is not immune from that, but I think the military have a responsibility particularly to those in the chief petty officer ranks and in the sergeant ranks to do everything possible to back them up when they try to get discipline.

I think the Noncommissioned Officers Association did a survey, and they questioned hundreds of petty officers and sergeants throughout the services. The respondents said one of the most critical parts of their decision whether to remain in the service was the feeling that they were not backed when they tried to impose a sense of discipline by the officers.

Interestingly enough, one of the reasons they weren't backed was because there was so much pressure all of the way from the top on reetntion, and officers felt that they were going to be judged by how many people in their unit reenlisted and when it came to back up an old sergeant or old chief petty officer, they weren't willing to do it to the extent that they otherwise would cause an effect on retention. I think that is a shortsighted view, if it is occurring, because I believe the higher the morale in the service, and I am talking about fair discipline and not physical or that kind of thing, but the more discipline we have, the better quality people we are going to get.

Mr. MURRAY. And the happier they are in the service; I think that is absolutely right.

Senator NUNN. I am very interested in following the Navy's progress on that.

I have one other question along that line. In 1969, there were 84,000 people. Sharp declines in total enlisted strength took place in 1959. Are we now seeing the effect of lower recruiting numbers in the years when the declines were taking place because the Navy chose to keep more experienced people on board and reduce recruiting as you were drawing down?

Mr. MURRAY. I would suspect some of that must be true, Senator Nunn, because in the figures you used before of 1974, comparing them to now, we had many more senior people in the higher grades, who have since retired and are no longer there, than we do today. So always, in trying to raise the numbers of petty officers, in shortage areas of the last 5, 6, or 7 years, as you get up to where you think you need them in that particular skill, any bonus incentive to try to keep them in, gets cut off there, so you are somewhat just getting up to the minimum levels and you fall off again and you try to come back again.

I might add to that, Senator, that the problem we have had in recent years has not been one of extra retirements. We have had a pretty steady, stable rate of retirements from our senior petty officers. What we have really experienced in recent years is a rather unusual occurrence whereby our petty officers with 7 to 11 to 15 years of service leave the Navy. In the past, if they had stayed there longer, we really could count them as career people, but the problem we have really had is the loss of those very experienced but middlegrade petty officers, and it has not been largely due to retirements.

ENOUGH SKILLED TO MAN THE FLEET

Senator NUNN. Do you believe, Admiral, that we are goint to be able to have enough skilled people to successfully plan the fleet in this budget that we have?

I know most of the ships won't come off for several years but I am thinking of restoring the older battleships. Are we going to have enough skilled people to do that when these ships come on line?

Admiral ZECH. Yes; we believe we will. But to do that we need to keep up recruiting and we need increased retention. It is a real challenge to us. As I mentioned earlier, if the ships were coming today we would have a very difficult time manning them and would have to cut down our fleet manning. With the improved retention that we already see coming, we had hoped that would give us a rather rapid improvement to our fleet manning.

However, we feel our fleet manning will not be reduced any more than it is today with the ship buildup. In other words, the advantages we will get from increased retention and improved recruiting, the advantages we will get from bringing back our Navy veterans, will go into building up our growing Navy.

We feel we can grow to meet the Navy that we are projecting for the future. I must add, though, that we absolutely must keep up our retention and we must keep up our recruiting.

Senator **NUNN**. Could you furnish for the record a chart which would show the next few years, including the years these additional ships are going to come on board, the number of people that are required for the new spaces and the number of shortages now, and how you have plans that you are going to meet this in terms of your projected numbers.

Admiral **ZECH**. Yes.

Senator **NUNN**. And also the assumptions it is based on. I assume you have something like this.

Admiral **ZECH**. I could not give you something right here, but I can furnish it for the record, Senator, and I will be happy to do that.

We have looked at that and we feel the numbers coming in the next few years are very reasonable. We feel our biggest challenge will be really starting in about 1983 or 1984. We must gear up now, in order to meet that challenge, but we do indeed feel, that with the program we have seen outlined so far, that we will be able to man the growing Navy.

[Additional information follows:]

The manpower requirements for the Reagan budget reactivation ships in fiscal year 1982 through fiscal year 1984 are as follows:

	Fiscal year 1982		Fiscal year 1983		Fiscal year 1984	
	Officers	Enlisted	Officers	Enlisted	Officers	Enlisted
Oriskany	15	85	74	1,285	116	2,085
New Jersey	62	1,500	62	1,500	62	1,500
Iowa			62	1,500	62	1,500

These requirements reflect ship board manning, and do not include the required 30 percent tail to cover training, transients, etc. The following profile reflects the requirements envisioned in expanding to a larger Navy:

ENLISTED STRENGTHS

[In thousands, by fiscal years]

	1981	1982	1983	1984
Estimated requirements	498	504	514	520
Carter budget strength	468	480		
Reagan amendment	+3	+5		
Projected strength	471	485	506	517

In order to achieve the end strengths and improve readiness, we must not only improve retention of experienced personnel as rapidly as possible, but we must also maintain the current recruiting effort. These two actions will provide the numbers needed to man the Navy over the next few years.

Senator **NUNN**. Also could you furnish for the record any analysis you have as to which incentives, including the pay itself, plus the other incentives—variable housing—how you would rank those and what they are doing on retention.

I don't know whether you can do that, and if you don't have it in a totally objective fashion, at least give us your subjective judgment.

Mr. MURRAY. We will be happy to do that.

[The information follows:]

It is difficult to identify which fiscal year 1980 legislative accomplishments in military compensation were more important than others. The sea and submarine pay increases were extremely important to our sea going force. At any one time, about 20 percent of the Navy force receives sea pay, and just 5 percent receives submarine pay. The VHA was very important to our members who live in high cost housing areas, and about 40 percent of Navy personnel receive this allowance. The basic pay increase was improtant to the entire force. The significance of the improvements stems from the positive perception of the service member that the national leadership is addressing the problem of inadequate military compensation and is doing something about it.

It is too soon to determine what effect the fiscal year 1980 legislation has on retention in the officer community.

The enlisted retention data based on actual monthly reenlistments shows that there have been substantial recent increases in retention.

End fiscal year 1980	Fiscal year 1980 through January	Fiscal year 1981 through January
36.7	35.2	43.6
50.5	51.3	58.4
91.6	91.5	93.2

We are encouraged because there are currently 1,000 more 12 month extensions for sea duty than last year at this time. Also, the cancellation of fleet reserve requests is running 25 percent higher so far this year. These indicators can only be attributed to the total effort of the 96th Congress and optimism for the future.

Senator NUNN. Just off the top of your head, is it the whole package or any one thing that you can pick out that is more important than the other?

Admiral ZECH. I would say the first one is the basic pay raise with the perception that there will be a bigger one coming soon. The second most important thing that helped the Navy in recent months was the enactment, under the leadership of this committee of sea pay and submarine pay. This legislation has sent a very dramatic signal to our fleet which has been more than money in my view. The signal has been sent that the Navy people are sacrificing out there and their sacrifice is appreciated by Congress and by the American people.

I think the signal has been very important. The variable housing allowance has also had a very significant effect. In my judgment, when combined with the basic pay and the sea and submarine pay, they have been the most important initiatives and actions of the past year, as far as the Navy is concerned.

Senator NUNN. Which would you put first, variable housing, or would you put the basic pay raise first?

Admiral ZECH. Although I am giving you my subjective judgment, I would say the basic pay raise. The basic pay raise wasn't really as big as the President's pay agent said it should be. I believe they said it should be 13.5 percent and the raise was 11.7 percent. Nonetheless, that was greatly appreciated. The fact that variable housing allowance was a new initiative, as was sea pay and submarine pay, probably, from the Navy's standpoint, had as strong a singal as the basic pay raise.

Senator NUNN. Do you want to give your opinion on that?

Mr. MURRAY. I share that opinion, although it is very judgmental. I don't think you can distinguish between the various ones.

Senator NUNN. It would be hard to separate them.

Mr. MURRAY. Lots of things have been going on, the change of attitude on the part of our countrymen, the welcoming from the Indian Ocean, the real missions given to the Navy, the variable housing allowance, and so forth. Half of that went to the Navy out of the whole DOD budget because of the nature of it.

Senator NUNN. The Navy lives in more luxurious quarters?

Mr. MURRAY. That is the opposite of the truth, Senator.

Senator NUNN. Also on the ocean, next to the coast and in the Sun?

Mr. MURRAY. You should not have gone to San Diego. You should have gone to Norfolk or to Maine.

Senator NUNN. You are living in high-cost housing areas more than the others?

Admiral ZECH. Yes, and that is why this applied to the Navy more than the other services.

Mr. MURRAY. The base pay was important, but with that alone it wouldn't have overcome inflation, and so people would have felt better off but not as well off as they do with a real change in sea pay and submarine pay and VHA.

Senator NUNN. Could I pose that same question to the Marines.

General BRONARS. I thought the original question was, "what additional initiatives should be taken?"

Senator NUNN. I am looking at the history. I understand the President does have some more initiatives but I am talking about initiatives taken last year, which ones have done more toward retention.

General BYONARS. From the Marine Corps' standpoint, the signal given that somebody was taking a first step in bringing compensation levels to a fairer level was extremely important. That had a very significant effect on our retention. There is no question that the variable housing allowance initiative was important. That was overdue, in my estimation. The combination is really giving us some meaningful and measurable advances in our retention programs.

Senator NUNN. Thank you.

I took more time than I meant. I appreciate that.

SERVICE DISCIPLINE AND DESERTION

Senator JEPSEN. In 5 minutes, gentlemen, we will be finished. I am rather quickly going back to the discipline area.

Your desertion rates are 27 per thousand. How are deserters defined?

Admiral ZECH. Desertion is defined as an individual who leaves his place of duty for a period of over 30 days and does not return.

Senator JEPSEN. Do you have any statistics on the number of unauthorized absence incidents of less than 30 days in the rate per thousand?

Admiral ZECH. I would be pleased to furnish them for the record.

[The information follows:]

As shown in the following graph, in fiscal year 1980 Navy had a UA rate of 82.0 incidents per thousand. However, fiscal year 1980 was not the year Navy suffered its highest rate of UA since implementation of the All Volunteer Force. In fiscal year 1979, the UA rate was 83.4 incidents per thousand.

Navy UA rates

Fiscal year:	*Rate per 1,000*
1974	53.8
1975	73.0
1976	77.5
1977	76.9
1978	78.2
1979	83.4
1980	82.0

Our data shows that while the rates indicate a high number of incidents, they involve a relatively small number of individuals who are going UA more than once. Of the total number of individuals who went UA in fiscal year 1980, 66 percent were repeaters. This is a critical area of concern, at which we are focusing a large part of our campaign to reduce the UA rate.

A major factor contributing to high UA rates is the tempo at which we must operate and train units and forces. As you know, we had a very high op tempo during the Vietnam conflict. However, our op tempo is now even higher than during that period because of Indian Ocean deployments. Our personnel must still overhaul ships, prepare for extended deployments, deploy for five to seven months, and undergo numerous inspections to insure the highest state of unit combat readiness. Frequently, ships must be overhauled away from homeport where families are located. Thus our personnel spend long hours at sea, separated from their families for lengthy periods of time and when in port work long hours in order to prepare the ship for operational commitments.

Senator **Jepsen**. Last year the Congress eliminated enlistments as a part of military court jurisdiction. What other legislative proposals do you support to enhance our military justice system? Do you have some or do you have any?

Mr. **Murray**. We are bringing in many new lawyers to help expedite the actions and cases so that people get quicker and fairer justice.

Senator **Jepsen**. Do you have any legislative proposals that you are offering or supporting with regard to military justice?

Mr. **Murray**. None of which I am aware, other than the increased end strength in lawyers and JAG personnel.

Senator **Jepsen**. The results of a recent DOD survey indicates the Navy has a higher incident of drug abuse than does the Army and Air Force. Do you have any comments about that survey or any comments about that statement?

Mr. **Murray**. We are very concerned about drug use and all aspects of it in the Navy. We feel that our Navy people need to perform to capacity. We have regulations preventing the use of drugs, of course, but as far as the survey is concerned, we are still reviewing it. The survey indicates that the Navy does indeed have a high rate of marihuana use. We are concerned about that. We are taking steps to educate our people, to enforce our regulations, and to rehabilitate where necessary. We feel that the drug situation is a reflection of our society, but we feel it is a problem we have in our Navy that is a serious one and we are addressing it seriously.

Senator **Jepsen**. Beginning in 1973, the training of Reserves is included in the selective Reserve strength category. What are the policy reasons for their transfer?

Admiral **Palmer**. That is not my initiative, sir, and frankly I am not in favor of it. The TAR officers and enlisted personnel are active duty personnel and authorized separately from the selected Reserve. I think they should continue to be paid out of the Military Pay-Navy accounts. I see no reason to make the proposed change at all, sir. In fact including other categories, such as active duty or category D personnel, in the selected Reserve authorization would tend to confuse and could mislead as to which personnel are subject to involuntary recall by the President or eligible for special pays.

Senator **Jepsen**. You anticipated my next question and the answer to that would be "no."

What is the average age of the 53 ships assigned to the Naval Reserve?

Admiral **Palmer**. Average age of the destroyers is about 32 to 33 years. The newest ships that we have in the Naval Reserve Force are the *Charleston* (LKA-113) class cargo ships. These ships average 12 years of age. Our oldest ships are the World War II type FRAM I destroyers, all exceeding 30 years of age.

Senator **Jepsen**. What are the plans if any of modernizing the Naval Reserve Fleet?

Admiral **Palmer**. We have been requested to come back to Congress with a detailed plan by the first of April of this year, and I think we will be able to do so. Our present plan is to retire the oldest ships, the FRAM I destroyers the *Gearing* class, and replace them with much newer frigates from the FF-1052 class. The first two of these ships would be coming into the Naval Reserve force in January of next year, and the next two will be transferred about July 1982. We will have a phased program which will be forwarded to to Congress this April.

Senator **Jepsen**. What is the mission as you see it of the Naval Reserve and Navy's total force concept?

Admiral **Palmer**. You mean the whole Naval Reserve, sir?

Senator **Jepsen**. The NRF.

Admiral **Palmer**. As I see the mission of the NRF destroyers, it is primarily antisubmarine warfare and in addition, as mercantile convoy escorts.

Senator **Jepsen**. Do you believe the Reserves should have an increased mission?

Admiral **Palmer**. No, Mr. Chairman, I do not. I think the mission as stated is adequate. We will be coming back to Congress in the next month with the details of the mission and plan to implement this new program.

Senator **Jepsen**. Well, the growth of the Naval Reserve has been limited. Why is that?

Admiral **Palmer**. We have stabilized at 87,000. The annual cuts seem to have abated. We are in a position of Reserve stability right now.

GI BILL

Senator **Jepsen**. I have one last question for anyone on the panel, or more than one.

There's a lot of talk about the GI bill and lots of activity on it, and there is great interest. What do you deem should be included in a new GI bill? Is there anyone who cares to address that to help the personnel question?

Mr. **Murray**. I will begin, Mr. Chairman.

Before I begin, may I say a word on the Reserves. I know the new Secretary of the Navy wants to take a fresh look at the Naval Reserve, to make sure the contributions to the Naval Reserve and the manning of the ships assigned to the Naval Reserve are ones that will be productive for the Reserves and for the regulars and add to our overall capability. We intend to take a fresh look and make a new effort to examine the Reserves in the next couple of months, Mr. Chairman.

On the GI bill, as the Secretary of Defense said yesterday, a decision has been taken by the administration not to have a GI bill until 1983, until the administration has had a chance to examine precisely what ought to go into the bill. I think that some form of GI bill would be helpful to recruiting and, if we do it well, to retention. As to the precise contents of a bill, there are many ideas. From the administration's point of view, they want to have the spring and summer to think through those ideas and to see how recruiting and retention statistics turn up over that period of time, and then to be able to target their ideas toward areas of the greatest weakness.

Senator JEPSEN. Are there any other comments?

Admiral ZECH. The services have been working together on trying to come up with an agreed upon bill which we have completed. We have submitted it to the Office of the Secretary of Defense.

General BRONARS. The specific provisions of a GI bill should provide for a noncontributory entitlement. It should have universal application. It should be funded and administered by the Veterans' Administration. It should have an enhanced entitlement as a reenlistment incentive. For a career incentive, it should have transferability rights to dependents. If it has those features, it would be very effective. We strongly support a GI bill.

Admiral PALMER. I concur in all of the things that have been said before. I think also we need a GI bill as an investment in the education of our youth in this country. It will help us in recruiting and it will not hurt retention. The GI bill is how I got my masters degree, and maybe some others here did too. So I support a GI bill as an investment in the youth of our country.

Senator NUNN. Let me ask a question here. We put in something like $50 million for you to experiment with last year. How far along are those pilot projects on the GI bill?

Admiral ZECH. The pilot project actually began in December so really that was in order to get it planned and going. We don't have a good feel yet, Senator, for what kind of a return we are going to get from the pilot program. We had two different Navy programs as you know, different programs that contain different recruiting districts in each program.

Senator NUNN. Do you agree with Secretary Weinberger that we should wait for the results of that pilot project before launching a nationwide GI bill?

Admiral ZECH. I assume you are asking me for my personal opinion, Senator.

Senator NUNN. I guess so; yes.

Admiral ZECH. Senator, my personal opinion is that in the Navy, and I can only speak for the Navy, having met our recruiting goals for the last 55 months and projecting that we are going to make them for this fiscal year, I cannot in good conscience say we need a GI bill at the present time. I personally think a GI bill is very desirable and it would be very helpful to us, but I cannot say that it would be one of the Navy's highest priorities. That is my personal view for this year, although I certainly support the GI bill.

Senator **Nunn**. Would you say it was desirable but not essential?

Admiral **Zech**. That is what I would say. I share that view, Senator, desirable but not essential for this year.

Senator **Nunn**. Do you personally agree with Secretary Weinberger that we ought to wait until the pilot project is completed?

Mr. **Murray**. I can't say, with the same breadth of view that he does, what effect it is going to have on the other services. For the Navy and Marine Corps, that is my judgment; yes.

General **Bronars**. I think a lot of benefits would accrue from a GI bill, and I strongly support the statement by Admiral Palmer that benefits to the Nation would be as great as the benefits realized by the services.

I think a GI bill is very desirable; certainly nothing is absolutely essential.

Senator **Nunn**. The Marine Corps is absolutely essential; don't you think?

General **Bronars**. Yes, sir.

RUSSIAN PETTY OFFICERS

Senator **Nunn**. I have one more question. The Russians don't have many petty officers. I understand most of their people come on board a ship and stay a short period of time. Just how do they run the Russian Navy that we describe as so awesome with so few a number of petty officers they have? I may be wrong but that is what my information is.

Mr. **Murray**. We hope we run ours considerably better, but they do indeed have many people come in, and, as you well know, for very short tours, shorter than ours. We think our petty officers are an awful lot better than theirs and we rely on the strength of that knowledge and the strength of that confidence, that our petty officers are the best in the world.

Senator **Nunn**. Have you done anything to analyze the Russian petty officers? I don't want to ask you to prepare something.

Have you seen any analysis in writing that tells us how they operate that personnel system in the Navy?

Mr. **Murray**. I have seen reports on the petty officers and on their training and how they operate. I don't know that we have great details on their actual personnel policies and assignments.

Senator **Nunn**. Could you furnish for the record what already exists? And I don't want to do anything new.

Mr. **Murray**. It would be at a classified level.

Senator **Nunn**. That will be fine.

Senator **Jepsen**. Gentlemen, with no reflection on the quality of any past hearings or projections and comments on the quality of future hearings, I want to express my appreciation this afternoon for one of the best hearings I have ever had an opportunity to be a part of. I appreciate that.

It is interesting to sit and see things going full circle and some of the statements made very early on, like quality attracts quality, and your comments have been very helpful.

Something was alluded to several times that I wanted to make a matter of record. That is for us to think more about later on, and that is that there is something happening. Maybe we are entering into a period of what some of us recognize as being some danger. We talk about a number of things, and I think we are running into a period of great hope, great expectancy nationwide, but for increased retention and increased quality and morale and so on, I also suspect and get a feeling that there is an increase in all of those and in the men and women in uniform because of the growing feeling of acknowledgment and competence that someone really does care.

I want the record to show that they are correct, if that is the feeling, because we really do care and the American people really do care. We are going to do whatever is necessary to attain and maintain a level of defense that is going to keep the peace and prevent war.

I appreciate, and I know my colleagues do, the great service that the men and women in uniform today give our country 24 hours a day. We want to work together to show them that we recognize that and we appreciate it.

[Questions submitted for the hearing record follow:]

Questions Submitted by Senator William S. Cohen

PETTY OFFICER SHORTFALL

Senator Cohen. Testimony before the subcommittee last week included the statement that the decline in NCO's with 13–30 years of service relates to the drop in first term reenlistments during the Vietnam conflict. Has this been the case for the Navy?

Admiral Zech. While Navy experienced low first term retention rates during the Vietnam conflict, this phenomenon in itself was not the single significant factor in the current petty officer shortfall in the career force between the 11th through the 30th years of service. Since the advent of the All-Volunteer Force in 1972 Navy has experienced a relatively constant numerical shortfall to petty officer requirements. During the same period Navy has suffered a well documented loss of experienced petty officers, such that the petty officers that Navy has been able to retain, have as a group become progressively less experienced.

RECRUIT QUALITY

Senator Cohen. The Army told this Subcommittee last week that its recruit quality is up substantially this year in first quarter results. What is the situation for Navy?

Admiral Zech. Navy has also shown improvements in the quality of its non-prior service (NPS) recruits for the first quarter fiscal year 1981 as compared to the first quarter fiscal year 1980. The following table provides the preliminary comparison of first quarter fiscal year 1980 NPS quality to first quarter attainment for fiscal year 1981. We have increased substantially, the school eligible and HSDG accessions, increased Mental Group (MG) I–III Uppers and decreased MG IV's.

	1st quarter (percent)—	
	Fiscal year 1980	Fiscal year 1981
MG I–III	60	65
MG IV	15	14
School eligible	78	89
HSDG	63	75

PETTY OFFICER EXPERIENCE

Senator Cohen. You spoke in your testimony (pages 14 and 15) of the decline in the experience level of the senior enlisted force. What impact has this had on job performance in those senior grades, and what impact has it had on readiness, leadership, discipline, and training?

Admiral ZECH. Since 1974, Navy has experienced a reduction of 23,300 senior careerists in Length of Service years 11 through 31. This loss has been offset in pure numbers by a corresponding gain in personnel in Length of Service years 5 through 10. However, increased accessions have not been able to overcome the valuable experience that those senior petty officers took with them when they departed the Navy.

While the results of this decline in experience level of the Navy's career force is not quantifiable, it is believed that it has had a significant impact on the fleet. While the job performance of our senior enlisted personnel has remained superior and their dedication has not wavered, there are simply too few of them. As a result, we are required to assign more junior and less experienced personnel to positions of leadership. What these junior leaders lack in experience they attempt to make up for in extra effort and devotion to duty. Unfortunately, that required extra effort adds to an already arduous workload.

Experience is gained from participating in a skill or activity and learning from one's successes and failures. An experienced petty officer can, at times, compensate for personnel shortages because his acquired knowledge eliminates time and effort expended in an evolution, whether it be repairing a complicated piece of electronic equipment or a deck seamanship evolution. An experienced petty officer commands more respect from his subordinates because he is more confident and this quality is contagious. This results in improved productivity and morale in his work center. Conversely, inexperience leads to hesitancy, lost time and mistakes. Discipline breaks down in a work center if the leading petty officer is unable to effectively relay or give positive direction.

In summary, there is no substitute for experience. And in the Navy, that experience comes from being there, i.e., gained through years at sea. Inexperience leads to a degradation of the quality of leadership, descipline and training necessary for desired readiness. In addition, these conditions do not contribute to Navy's retention initiatives and the subsequent loss of our personnel exacerbates the overall petty officer deficit problem. This has resulted in reduced personnel manning in the fleet which has significantly reduced readiness.

RECRUIT QUALITY

Senator COHEN. Admiral Zech, on page 18 of your statement, you refer to a "major policy change in October 1979 when we streamlined our system and selected a policy which insures that at least 74 percent of accessions will be Mental Group III Upper or above." I'm intrigued by any system which could "insure" such a positive result. What is that program? How sure can you be that it will, in fact, attain your desired result? Are the other services adopting similar systems?

Admiral ZECH. The recruiting policy for fiscal year 1980 required that at least 74 percent of the non prior service males recruited into the Navy were in Mental Groups I through III Upper. The Recruiting Command followed this policy by control systems established throughout the recruiting service. Individual recruiting districts probably implemented the policy in various ways, but the final result at the end of fiscal year 1980 indicate that the mechanism worked. Of the non prior service males entering the Navy in fiscal year 1980, 75.6 percent were in Mental Groups I through III Upper. To insure that we attain the desired results, we rely on the use of sales and prospecting techniques which enable recruiters to focus their attention on that proper markets in order to identify and recruit the quality individuals desired. Also, the Recruiting Command monitors very closely to insure that the established standards are maintained. Each service develops a quality mix standard based on their own needs. They do adhere to the quality constraints placed on the services by Congress in the fiscal year 1981 Defense Authorization Act.

RECRUIT TRAINING LENGTH

Senator COHEN. What is the current length of training for new Navy personnel? How does that compare to the training period in the past? Are you, like the Army, considering steps to extend or strengthen training in any way?

Admiral ZECH. Since October 1978, recruit training has been 7.7 weeks long. Between 1965 and 1978, the average length of recruit training was 9 weeks.

We are reviewing the recruit training from the standpoint curriculum of providing more emphasis on military training while attempting to stay within the present 7.7-week timeframe. Additional training may be provided in such areas as military drill, physical conditioning, individual responsibility, and "hands-on" seamanship. Any revised curriculum should instill in recruits the importance of good order, discipline, teamwork, and a tight chain-of-command while challenging them to grow personally and professionally.

Questions Submitted by Senator Dan Quayle

CIVILIAN REQUIREMENT FOR REACTIVATIONS

Senator Quayle. Admiral Zech, your statement indicates some growth in civilian shipyard employment, primarily to accommodate SLEP work on the *Saratoga*. But the defense budget presented by Secretary Weinberger yesterday calls for the reactivation of the battleships *New Jersey* and *Iowa* and the carrier *Oriskany* as a means of providing a quick fix for our naval strength. Your fiscal year 1982 growth in civilian end strength does not appear to cover these reactivations. Do you intend to reallocate civilian manpower to cover these reactivations or will it be necessary to increase your planned civilian end strength?

Admiral Zech. My statement was prepared and distributed prior to the finalization of the amended fiscal year 1982 defense budget. The reactivation of two battleships and a carrier, as mentioned by Secretary Weinburger, is part of the fiscal year 1982 budget amendment. Also included in the fiscal year 1982 amendment is an increase of 4,490 for Naval shipyards which is primarily related to activation of the *Oriskany* and the *New Jersey* and overhaul of three diesel submarines. Activation of the *Iowa* is currently planned for accomplishment in fiscal year 1983 in a private shipyard.

PAY COMPRESSION

Senator Quayle. Admiral Zech, your statement does not appear to make any reference to pay compression, which is a major problem for the other services. Are we to conclude that compression is not a problem for the Navy?

Admiral Zech. Senator, on the contrary, the Navy has a serious pay compression problem. Pay grade differential is compressed throughout the paygrade structure and much of the problem has developed since the inception of the All-Volunteer Force (AVF). The differential between E–3 and E–4 was approximately 24 percent before the AVF and now an E–4 basic pay is only 4 percent more than an E–3. The dollar jump from E–3 to E–4 is nominally $25 and serves as little incentive to promote or attain career petty officer status. Career versus entry level compression can similarly be shown by comparing an E–9's basic pay against an E–1's basic pay. In 1970 the highest enlisted grade was paid over 600 percent more than a recruit in pay grade E–1, today that relationship has been reduced to only 330 percent. It can be thus asserted that the monetary incentive to continue past initial service, and eventually attain senior enlisted status, has been reduced by about one half since the creation of the AVF.

The officer structure experienced some of the same intergrade and careerist versus entry level compression as the enlisted force, but to a less signifficant degree.

Questions Submitted by Senator J. James Exon

ENGINEERING BONUS

Senator Exon. Mr. Murray, last Tuesday the Air Force recommended to this Subcommittee that a new accession bonus of $15,000 be approved for officers with engineering degrees because of the difficulty the Air Force is having in recruiting engineers. It seems to me that such a program would be in direct competition with the critical need the Navy has to increase its accession of nuclear officers. Does the Navy agree with this new engineering accession bonus recommendation?

Mr. Murray. Senator Exon, the Navy supports the engineer accession bonus proposed by the Air Force for two reasons. First, we recognize the fact that, like Navy, Air Force is experiencing severe shortages of engineering and scientific personnel. A variable accession bonus up to a maximum of $15,000 can be tailored to help satisfy the recruiting requirements of each engineering and scientific community, including Navy's nuclear power engineer requirements. In addition, the accession bonus would be administered by a uniform policy established by the Secretary of Defense in order to equitably address the problem of inter-Service competition for scarce engineering resources.

RECRUITERS

Senator Exon. In your statement you say recruiters often work 70 hours per week. Do we need more recruiters?

Mr. MURRAY. The Navy recruiter's work week varies, but often approaches and might even exceed 70 hours per week. However, the number of hours is not necessarily directly related to the number of individuals successfully recruited. There are many variables involved including the recruiter's efficiency. One factor which, when varied, always affects the number of recruiter hours required is the number of new accessions required. In fiscal 1981 the One-Navy enlisted accession goal is over 6,000 greater than in fiscal 1980. Increased accession goals, gapped billets, varying economic and market conditions from one area to another are among a wide range of factors which lead to varying (and frequently abnormally long) work weeks. Navy is presently analyzing future recruiter needs. Full manning of the recruiter force in the near term years is essential in view of the prospects of an improving economy with a decrease in unemployment, escalating recruiting costs, and the decreasing number of 17-21 year old males in the population all of which will make the job of the field recruiter much more difficult.

DOPMA

Senator EXON. Admiral Zech, your statement included a reference to your perceived need to change several provisions of last years' Defense Officer Personnel Management Act (DOPMA). What changes do you have in mind?

Answer. As DOPMA was approaching enactment during the last session, Navy and members of the Congress realized that it would be necessary to make some technical corrections to insure the smooth implementation of the legislation. Under coordination of the OSD staff, Navy and the other Services have been working with staff members of both the Senate and House Armed Services Committees to develop legislation containing the necessary technical corrections. After our initial discussions with the House staff, Navy understands that nineteen of the proposed changes are acceptable to the House side. Three were deferred as matters of interest to the Senate and some were labeled substantive which the House staff desires Navy to submit later as part of a separate legislative proposal. OSD personnel have conducted similar discussions with the Senate staff members.

The following is a discriptive list of those items submitted by Navy which I anticipate will be included in the proposed technical correction legislation:

1. Exemption of LDO's from 20 year active commissioned service requirement.
   Permits appointment of LDO's even though they may not attain 20 years active commissioned service prior to age 55.
2. Service on successive selection boards for different purposes.
   Permits officer to sit on continuation board immediately following participation on a selection board.
3. Change "selected" to "qualified" regarding LTJG promotions. Carry promotions and failures between active and inactive duty.
   Corrects terminology regarding qualification for LTJG promotion.
   Preserves promotion status on transfers between regular and reserve forces.
4. Continuation of O-7's, O-8's, O-9's and O-10's beyond 35 years of commissioned service.
   Allows the Secretary to continue flag officers beyond normal tenure without convening a board.
   Maintains the Secretary's current authority to defer the retirement of a flag officer if he feels his services are required in an assignment.
5. Selective early retirement for flags—time in grade.
   Allow the convening of boards in the fiscal year the officer will complete four years in grade vice after four years in grade.
6. Two failures of selection in one fiscal year due to early fiscal year 1982 boards.
   Permits retention of officers who incur second failure of selection, during transition, until 30 June 1982.
7. Appointment of women LDO's and promotion of women O-4's.
   Makes equal those sections of current law regarding appointment of men and women LDO's, during transition period
   Makes equal the time in grade eligibility requirement to O-4 for men and women during the transition period.

8. Broken service for reserve officers on active duty.
   Allows reserve LCDR's, recalled to active duty with broken service, to be retained on active duty to be eligible for retirement.
9. Computation of Staff Corps service dates.
   Provides authority for each Service Secretary to establish a formula for computation of a service date for staff corps officers.
   Will close loophole in the law which some officers O–5 and O–6 take advantage of to stay till age 62.
10. Continuation of flag officers under laws in effect before DOPMA.
   Assures that officers in the grade of O–7 would be included in non-continuation laws and policies in effect prior to the effective date of DOPMA.
11. Special selection boards.
   Permits the use of special selection boards to correct errors which may arise from any type of statutory board.
12. Separation of grandfathered twice failed of selection officers and others if their records warrant separation.
   Provide authority to non-continue officers for whom there is no way to compute total commissioned service.
   Permits the Service Secretary to impose non-continuation or separation upon officers for whom no such authority existed under the original provisions of DOPMA.
13. Revise 10 U.S.C. 5444 regarding Staff Corps flag officers.
   Clarifies Secretary's ability to allocate flag numbers.
14. Revise 10 U.S.C. 5155(c) regarding Nurse Corps and Medical Service Corps flag officers.
   Clarifies term of appointment.
15. Selection board membership.
   Permit Departmental regulations to cover situations in small communities when sufficient senior officers are not available for board membership.
16. Notice of convening selection boards.
   Precludes need for informing each officer individually or listing every officer eligible.
17. Fiscal Year 1982 promotions during transition to DOPMA.
   Allows Navy to continue to promote under old laws in event of unavoidable delays before effective date of DOPMA.
18. Delete Navy and Marine Corps from two year requirement for retirement.
   Permit officers not promoted under DOPMA to retire under provisions of current law (will leave 2 years in the law but will permit waiver by Secretary of the Military Department).
19. LDO women.
   Permits temporary LDO appointment for women, similar to male counterparts, effective 2 April 1981.
20. Retirement time in grade waiver delegated to the Secretary of Defense.
   Delegate waiver authority for President to Secretary of Defense.
21. O–3 and below, Senate confirmation.
   Eliminate requirement for Senate confirmation to reduce administrative burden.
22. Confirmation of promotions.
   Permit Navy to appoint present temporary officers as permanent without Senate confirmation. One time transition feature to preclude unnecessary administrative burden.

Navy requests early enactment of this corrective legislation. Aside from other planning considerations, this request is made to prevent the hardship that would otherwise be imposed on officers who incur a second failure of selection this fiscal year. Because of the necessity to transition to new management practices under DOPMA, Navy had to accelerate the selection board schedule. This compressed schedule will cause two failures in this fiscal year for some officers. Without relief, they would have to be separated by 30 June 1981. We are asking to retain these officers until 30 June 1982. We are seeking early passage of the legislation to alleviate unnecessary anxieties for these individuals.

There are very few changes to DOPMA, recommended by Navy, which are labeled substantive. However, we are looking forward to the opportunity in the near future to propose to the Congress those additional changes which Navy considers both desirable and necessary. They are:

1. Selection board membership.
   Permit use of boards of 3 vice 5 members in small communities.

2. Use of early retirement provisions for officers guaranteed retirement under current law.

Permit use of selective non-continuation for O–5's and O–6's to reach grade limitations.

3. Navy LDO promotions.

Permit promotion of Navy LDO's to all grades, including flag.

4. Readjustment of the active duty list.

Permit Navy to readjust the lineal list to preserve seniority after promoting officers within separate competitive categories.

5. Vice Admiral Reassignment.

Permit reassignment of 3 star flag officers to occur without additional confirmation by the Senate or have the Senate specify for the Services the 3 star positions for which specific reconfirmation is required.

RECRUITING COMPETITION

Senator Exon. Admiral Zech and General Bronars, Army witnesses before this Subcommittee expressed some concern that increases in recruiting levels by other Services could make the Army's recruiting job more difficult. Under the Reagan proposal, combined Navy and Marine Corps active duty end strengths will increase by over 9,000 in fiscal year 1982 from the levels in the Carter budget. Do you feel that these increases will make the Army's recruiting job more difficult?

Admiral Zech. Under the Reagan proposal, Navy has requested an addition of 4,700 enlisted end strength in fiscal year 1982. This additional end strength was requested due to the success Navy has experienced in fiscal year 1981 in the Navy Veteran Recruiting program and improvement in retention and attrition losses. As a result, no increase in the nonprior service male recruiting goals over those contained in the Carter budget will be required. Thus, the increase in the fiscal year 1982 enlisted end strength should not be construed as creating competition with the Army for nonprior service male recruits.

PHYSICIAN SHORTAGE

Senator Exon. Would you please detail the shortage in physicians for fiscal year 1979 though 1982?

Answer. Shortages within the Navy Medical Corps community may be addressed from two perspectives; the ratio of total end strength to authorization, and individual specialty end strengths to requirements. In regard to the total corps, Fiscal Year end strength in 1979 was slightly below authorization. The end strength in Fiscal Year 1980, however, was in parity with authorization and, furthermore, current projections indicate Fiscal Years 1981 and 1982 will similarly recognize end strengths meeting respective authorizations. Increasing future output from the Uniformed Services University of Health Sciences and the Armed Forces Health Professions Scholarship Program account, in part, for this projection.

In regard to clinical specialties, however, the Medical Corps will witness a continuing shortage of trained specialists. As revealed below, several specialty complements have consistently fallen short of individual requirements:

Specialty	Requirement	Inventory (fiscal years)		Projected (fiscal years)	
		1979	1980	1981	1982
General surgery	163	−34	−44	−61	−65
Thor/card surgery	25	−2	−12	−12	−12
Plastic surgery	14	+1	−5	−7	−7
Ortho surgery	155	−79	−91	−85	−84
Ob/gynecology	155	−9	−39	−46	−48
ENT	55	−1	−10	−15	−12
Urology	60	−23	−27	−26	−27
Anesthesiology	110	+8	−12	−17	−27
Radiology	129	−32	−35	−43	−42

Although several reasons may be cited by officers concerned, compensation remains a consistent reason for low retention rates among certain specialties in critical supply. Public Law 96–284, Uniformed Services Health Professionals Special Pay Act of 1980 has addressed compensation by increasing entitlements and thereby improving recruiting and retention efforts. The influence said legislation will have upon these areas, while not available at this time, will hopefully be positive.

PERSONNEL IN OVERHAUL

Senator EXON. How many active duty personnel are assigned to ships in overhaul? Do these include Petty Officers in critical skills?

Admiral ZECH. There are presently 1,789 officers and 25,333 enlisted active duty personnel assigned to ships in overhaul including those ships which commenced overhaul in fiscal year 1980 and are still in overhaul status. These figures include petty officers in critical skill ratings. Ships in overhaul and those in extended repair availabilities (greater than six months) are considered in the above data.

Senator EXON. Please provide for the record a list of all ships in overhaul with associated manpower assigned to those ships for fiscal years, 1980, 1981, and 1982.

Admiral ZECH. The following ships commenced or are due to commence overhaul in the fiscal years indicated. Included are manpower figures, both officer and enlisted, associated with each ship. Since manpower information is historical and projected in scope, the following criteria were utilized for the purpose of consistency:

Officer data is based upon billets authorized for each ship since officers are generally manned at one hundred percent of billets authorized.

Enlisted data is based upon the enlisted Navy Manning Plan personnel allocation for each ship. Although individual variations in manning with respect to those allocations exist, the data closely approximates actual aggregate manning levels.

Ship	Officers	Enlisted
COMMENCED OVERHAUL 1980		
U.S.S. America (CV-66)	144	2,849
U.S.S. John King (DDG-41)	22	327
U.S.S. Mahan (DDG-42)	25	361
U.S.S. Dewey (DDG-45)	25	374
U.S.S. Forrest Sherman (DD-931)	20	297
U.S.S. Barry (DD-933)	20	305
U.S.S. Manley (DD-940)	20	292
U.S.S. Blandy (DD-943)	20	292
U.S.S. Spruance (DD-963)	19	280
U.S.S. Julius A. Furer (FFG-6)	18	228
U.S.S. Vreeland (FF-1068)	17	241
U.S.S. Trippe (FF-1075)	17	248
U.S.S. Bowen (FF-1079)	17	243
U.S.S. Aylwin (FF-1081)	17	243
U.S.S. Glover (FF-1098)	17	235
U.S.S. Shreveport (LPD-12)	24	419
U.S.S. Guam (LPH-9)	44	599
U.S.S. Inchon (LPH-12)	44	597
U.S.S. Plymouth Rock (LSD-29)	18	317
U.S.S. Sumter (LST-1181)	13	211
U.S.S. Milwaukee (AOR-2)	21	412
U.S.S. Harold J. Ellison (DD-864)	13	282
U.S.S. Edson (DD-946)	15	195
U.S.S. Von Steuben (SSBN-632)	22	166
U.S.S. Casimir Pulaski (SSBN-633)	14	136
U.S.S. Benjamin Franklin (SSBN-640)	23	202
U.S.S. George Bancroft (SSBN-643)	14	139
U.S.S. Dace (SSN-607)	12	115
U.S.S. Narwhal (SSN-671)	15	121
U.S.S. England (CG-22)	26	378
U.S.S. Jouett (CG-29)	26	430
U.S.S. Lynde McCormick (DDG-8)	21	373
U.S.S. Buchanan (DDG-14)	21	313
U.S.S. Stoddert (DDG-22)	21	348
U.S.S. John Paul Jones (DDG-32)	21	321
U.S.S. Morton (DD-948)	19	304
U.S.S. Brooke (FFG-1)	17	231
U.S.S. Schofield (FFG-3)	17	232
U.S.S. Bronstein (FF-1037)	14	242
U.S.S. Albert David (FF-1050)	17	253
U.S.S. Stein (FF-1065)	16	244
U.S.S. Duluth (LPD-6)	24	389
U.S.S. Denver (LPD-9)	24	414
U.S.S. Tripoli (LPH-10)	44	608

Ship	Officers	Enlisted
COMMENCED OVERHAUL 1980—Continued		
U.S.S. Mount Vernon (LSD-39)	18	328
U.S.S. Mount Hood (AE-29)	17	331
U.S.S. San Jose (AOR-3)	24	407
U.S.S. Kansas City (AOR-3)	21	406
U.S.S. Schenectady (LST-1185)	13	211
U.S.S. Sargo (SSN-583)	14	110
U.S.S. Plunger (SSN-595)	15	110
U.S.S. Barb (SSN-596)	15	121
U.S.S. Pogy (SSN-647)	14	110
U.S.S. Hawkbill (SSN-666)	14	110
U.S.S. William H. Bates (SSN-680)	14	110
Total	1, 217	18, 160
COMMENCE OVERHAUL 1981		
U.S.S. Hunley (AS-31)	53	1, 050
U.S.S. Dale (CG-19)	25	382
U.S.S. Lawrence (DDG-4)	22	330
U.S.S. Sampson (DDG-10)	22	332
U.S.S. Tattnall (DDG-19)	22	324
U.S.S. Richard E. Byrd (DDG-23)	22	316
U.S.S. Mullinnix (DD-944)	20	304
U.S.S. Talbot (FFG-4)	18	239
U.S.S. Edward McDonnell (FF-1043)	18	248
U.S.S. Brumby (FF-1044)	18	238
U.S.S. Joseph Hewes (FF-1078)	11	246
U.S.S. Yosemite (AD-19)	28	800
U.S.S. Austin (LPC-4)	24	375
U.S.S. Spiegel Grove (LSD-32)	18	317
U.S.S. Pensacola (LSD-38)	18	328
U.S.S. Saginaw (LST-1188)	13	210
U.S.S. La Salle (AGF-3)	24	362
U.S.S. Detroit (AOE-4)	24	542
U.S.S. Savannah (AOR-4)	21	388
U.S.S. Lafayette (SSBN-616)	15	258
U.S.S. Kamehameha (SSBN-642)	19	258
U.S.S. Lewis and Clark (SSBN-644)	26	258
U.S.S. George Marshall (SSBN-654)	26	258
U.S.S. Skipjack (SSN-585)	13	113
U.S.S. Sculpin (SSN-590)	13	113
U.S.S. Shark (SSN-591)	13	113
U.S.S. Trepang (SSN-674)	15	113
U.S.S. Mendel L. Rivers (SSN-686)	15	121
U.S.S. Glenard P. Lipscomb (SSN-685)	15	121
U.S.S. Leahy (CG-16)	26	383
U.S.S. Worden (CG-18)	26	381
U.S.S. Horne (CG-30)	26	415
U.S.S. Long Beach (CGN-9)	62	901
U.S.S. Robison (DDG-12)	21	371
U.S.S. Cochrane (DDG-21)	21	382
U.S.S. Paul F. Foster (DD-964)	19	286
U.S.S. Kinkaid (DD-965)	19	279
U.S.S. Hewitt (DD-966)	19	274
U.S.S. Elliot (DD-967)	19	274
U.S.S. Ramsey (FFG-2)	17	238
U.S.S. Davidson (FF-1045)	17	239
U.S.S. O'Callahan (FF-1051)	17	238
U.S.S. Knox (FF-1052)	16	252
U.S.S. Reasoner (FF-1063)	16	253
U.S.S. Badger (FF-1071)	16	247
U.S.S. Prairie (AD-15)	28	884
U.S.S. Vancouver (LPD-2)	24	381
U.S.S. Cleveland (LPD-7)	24	410
U.S.S. New Orleans (LPH-11)	44	608
U.S.S. Fort Fisher (LSD-40)	18	322
U.S.S. Barbour County (LST-1195)	13	210
U.S.S. Bristol County (LST-1198)	13	210
U.S.S. Sacramento (AOE-1)	24	545
U.S.S. Durham (LKA-114)	16	304
U.S.S. Racine (LST-1191)	10	248
U.S.S. San Bernardino (LST-1189)	13	210
U.S.S. Beaufort (ATS-2)	7	96
U.S.S. Pyro (AE-24)	17	201
U.S.S. Swordfish (SSN-579)	12	110
U.S.S. Queenfish (SSN-651)	12	121
Total	1, 183	19, 330

Ship	Officers	Enlisted
COMMENCE OVERHAUL 1982		
U.S.S. Richard K. Turner (CG-20)	25	381
U.S.S. Wainwright (CG-28)	25	407
U.S.S. California (CGN-36)	30	485
U.S.S. Claude Ricketts (DDG-5)	22	343
U.S.S. Sellers (DDG-11)	22	340
U.S.S. Semmes (DDG-18)	22	340
U.S.S. Luce (DDG-38)	25	364
U.S.S. Coontz (DDG-40)	25	371
U.S.S. King (DDG-41)	25	373
U.S.S. Arthur W. Radford (DD-968)	19	274
U.S.S. Peterson (DD-969)	19	286
U.S.S. Caron (DD-920)	19	285
U.S.S. Garcia (FF-1040)	17	253
U.S.S. Edward McDonnell (FF-1043)	17	248
U.S.S. Brumby (FF-1044)	43	258
U.S.S. Patterson (FF-1061)	17	253
U.S.S. Paul (FF-1080)	17	253
U.S.S. Saipan (LHA-2)	52	844
U.S.S. Ponce (LPD-15)	24	390
U.S.S. Iwo Jima (LPH-2)	44	603
U.S.S. Harlan County (LST-1196)	13	210
U.S.S. Fairfax County (LST-1193)	13	214
U.S.S. Nitro (AE-23)	17	314
U.S.S. Vulcan (AR-5)	28	720
U.S.S. Charleston (LKA-113)	16	198
U.S.S. John K. Polk (SSBN-645)	14	258
U.S.S. Henry L. Stimson (SSBN-655)	14	258
U.S.S. George Washington (SSBN-598)	14	258
U.S.S. Sea Devil (SSN-664)	14	111
U.S.S. Billfish (SSN-676)	15	120
U.S.S. Richard B. Russell (SSN-687)	14	110
U.S.S. Kitty Hawk (CV-63)	144	3,746
U.S.S. Halsey (CG-23)	26	380
U.S.S. William H. Standley (CG-32)	26	423
U.S.S. Truxtun (CGN-35)	31	494
U.S.S. Henry B. Wilson (DDG-7)	21	379
U.S.S. Berkeley (DDG-15)	21	407
U.S.S. Joseph Strauss (DDG-16)	21	407
U.S.S. David R. Ray (DD-971)	19	286
U.S.S. Oldendorf (DD-972)	19	285
U.S.S. O'Brien (DD-975)	19	273
U.S.S. Merrill (DD-976)	19	284
U.S.S. Downes (FF-1070)	16	251
U.S.S. Harold E. Holt (FF-1073)	16	252
U.S.S. Kirk (FF-1087)	16	248
U.S.S. Tarawa (LHA-1)	52	824
U.S.S. St. Louis (LKA-116)	23	304
U.S.S. Dubuque (LPD-8)	24	419
U.S.S. Juneau (LPD-10)	24	404
U.S.S. Okinawa (LPH-3)	44	614
U.S.S. Alamo (LSD-33)	18	323
U.S.S. Anchorage (LSD-36)	18	328
U.S.S. Flint (AE-32)	17	335
U.S.S. Mars (AFS-1)	24	409
U.S.S. Camden (AOE-2)	24	548
U.S.S. Wabash (AOR-5)	21	417
U.S.S. Roanoke (AOR-7)	21	410
U.S.S. Mauna Kea (AE-22)	10	205
U.S.S. Haddo (SSN-604)	12	119
U.S.S. Ethan Allen (SSBN-608)	26	119
U.S.S. Pintado (SSN-672)	15	121
Total	1,418	23,136

QUESTION SUBMITTED BY SENATOR HARRY F. BYRD, JR.

RECRUITING COSTS

Senator BYRD. Please provide the recruiting cost pre new recruit during fiscal year 1980? Also, how many recruits were obtained per recruiting man-year-expended?

Mr. MURRAY. Though final figures are not yet available, the fiscal year 1980 recruiting cost estimate per accession (both officer and enlisted) is $1,577.49. In fiscal year 1979 (a typical recruiting year) 25.84 enlisted recruits were obtained per recruiter man-year. This figure varies from year to year because it is sensitive to demographic factors (e.g. declining youth population), economic factors (e.g., unemployment), and the size of the goal. In fiscal year 1980 (a non-typical recruiting year due to the poor economic conditions) the recruiter productivity was 26.57 enlisted recruits per recruiter man-year.

QUESTIONS SUBMITTED BY SENATOR SAM NUNN

MOBILIZATION TRAINING UNITS/RESERVE AUGMENTATION UNITS

Senator NUNN. You mention in your statement the shift from MTU's to RAU's. What is the principal difference between the two and that is the main purpose? How would a specific mission of an MTU change under the RAU concept?

General CRIST. The Marine Corps must assure that the IRR is continually categorized, trained and available to meet all mobilization requirements. At the present time, the IRR is not adequately grouped, for management and training purposes, to assure availability of the proper mix of trained personnel to meet wartime requirements.

One innovation being undertaken to improve the mobilization potential of the individual Reserve population is to group and preassign or predesignate elected individual reservists according to known mobilization requirements and then direct the training effort to ensure these individuals possess the mecessary level of skill to perform in the billet designated for mobilization.

The methodology is to establish groupings by common requirement; e.g., base support, mobilization support, etc, then subdivide the large groups into smaller groups according to specific functions. The smaller groups will evolve into Reserve Augmentation Units (RAUs) identified with a specific command or organization. These RAU's will be assigned mobilization priorities starting at M-Day and moving along a time line through M+15. Examples of the purposes for which RAU's would be formed are: establishment of mobilization processing centers and stations; headquarters staff augmentation; and training and supporting base augmentation. Individual reservists within the RAUs would either be preassigned or predesignated to fill specific mobilization billets, depending upon the criticality of the skill and time the billet must be filled in relation to M-Day.

The current 150 Mobilization Training Units (MTU's) will undergo a reorganization in line with this concept. The present mission of these units is to increase and maintain mobilization readiness of certain members of the IRR. This mission will be redirected to coincide with that of the RAU's. Eventually, they will all be converted to RAU's with individual membership consisting of a combination of Individual Mobilization Augmentees and IRR mobilization designees. This transition process has started with the conversion of MTU's to RAU's supporting Mobilization Processing Centers at Stations of Initial Assignment.

RESERVE UNITS

Senator NUNN. What is the percentage of Marine Ground reserve units that are Headquarters, staff, combat, combat support and combat service support? Please provide the same for aviation units.

General CRIST. The Selected Marine Corps Reserve (SMCR) is configured as a Division, Wing and Force Service Support Group with balanced combat, combat support and combat service support forces of the same type as active duty counterpart units. Current wartime Tables of Organization for these categories and comparative percentages, to include Headquarters/staff elements of these components are as follows:

	T/O	Percent of total
Ground units (4th Marine Division and 4th Force Service Support Group):		
Combat	10,950	38
Combat support	10,057	34
Combat service support	8,017	27
Headquarters/staff elements	261	1
Total	29,285	100
Aviation units (4th Marine Aircraft Wing):		
Combat	3,212	29
Combat support	5,656	51
Combat service support	1,841	17
Headquarters/staff elements	284	3
Total	10,993	100

FIELD TRAINING

Senator **Nunn**. Please select a representative ground combat, combat support, combat service support, staff and headquarters unit and provide the percentage of field training time as opposed to classroom training time.

General **Crist**. Selected Marine Corps Reserve units conduct 48 Inactive Duty Training (IDT) periods per year which comprise 24 actual training days. Additionally, these Selected Marine Corps Reserve units participate in 14 days of Annual Training (AT) for a total of 38 training days per year.

The following displays the percentage of the total 38 training days during which four representative units conducted field training.

IDT and AT

Ground combat unit: Co "H" (–), 2dBn, 23dMar, 4th MarDiv, San Bruno, California.	95 percent (36 days) field training time.
Combat support unit: Co "D" (Rein), 8th Tank Bn, FORTRPS, 4th MarDiv, Columbia, South Carolina.	84 percent (32 days) field training time.
Combat service support unit: Co "A", 4th LanSptBn, 4th FSSG, Tacoma, Washington.	74 percent (28 days) field training time.
Staff/Headquarters Unit: Det 3, HQ Co (–), HqBn, 4th MarDiv, Los Angeles, California.	47 percent (18 days) field training time.

The capability to train away from home stations during Inactive Duty Training has provided a real boost in readiness by augmenting annual training through mission oriented exercises and training. A recent study of unprogramed losses indicated that a primary reason for this attrition was a perception that Inactive Duty Training was repetitive, dull and unimaginative. During Fiscal Year 80 we were able to fund weekend training away from home stations for 193 units using National Guard, Reserve and active facilities. We desire to continue and expand this program, not only as a direct impetus to readiness, but as an important tool to increase retention. The funds to support increased weekend training away from home station is included in the fiscal year 1982 Presidential Budget.

Likewise Annual Training can be allowed to become sterotyped and demotivating to the individual reservist. Consequently we were most gratified to be able to train 14,382 reservists last year in combined, joint and intraservice exercises in realistic environments under varied commanders such as SACEUR, CINCLANT, CINCRED, CINCPAC, and CINCSO. For the Reserve forces to be a strong and viable partner in the Total Force, they must train with Regular and allied forces in the type locales in which a future contingency may take place. As with individual training, the thrust for unit training is rapid response and higher readiness, while providing the Marine reservist a sense of purpose which is essential to high retention. An expansion of this program is also contemplated in the fiscal year 1982 budget.

FOURTH MARINE AIRCRAFT WING REORGANIZATION

Senator **Nunn**. I understand that there are several active proposals to reorganize Marine Corps Reserve units, particularily in the aviation area. What is the status of these proposals, the timeframe for any decision, and the projected impact on readiness of any moves? Specifically, what are the justifications for the proposal to relocate the aviation unit from Dobbins AFB to Quantico, Va.?

General **Crist**. The Fourth Marine Aircraft Wing has submitted a reorganization plan to Headquarters, U.S. Marine Corps. The impetus toward reorganization was generated by recent operational experiences, safety surveys, maintenance staff visits, and other inspections which disclosed safety of flight discrepancies within subordinate Wing units which require corrective action. These deficiencies fall within the general areas of management, personnel, and/or facilities. For the most part, they have been brought about by the changing conditions which have evolved in the Reserve aviation environment over the past ten years. In addition, the inherent problems associated with having a small complement of active duty personnel to manage and maintain complicated and diverse aircraft at the same location is considered to be overburdening and not conducive to sound aviation management practice.

The plan, as proposed by the Fourth Marine Aircraft Wing, contemplates the elimination of mixed fixed wing/helicopter operations at any one site in order to channelize unit flight activities, maintenance, supply and safety efforts in a direction for more effective control by active duty personnel and to improve training opportunities for participating Reservists. The plan also contemplates the consolidation of like assets to the maximum extent feasible so as to concentrate the finite number of available regulars to achieve a more equitable maintenance operating factor.

The Commanding General of the Fourth Marine Aircraft Wing briefed the plan to the Commandant of the Marine Corps who agreed with the purposes of the proposed reorganization. A group of Regular and Reserve officers, headed by a Reserve Aviation General Officer, will be convened at Headquarters, United States Marine Corps, in the near future to assess the plan and prepare a written report to the Commandant setting forth their conclusions and recommendations. Specific decisions relating to reorganization of Marine Corps Reserve aviation will be made subsequent to receipt and consideration of this report. Appropriate congressional, DOD and local interests will be briefed on specific details of the reorganization as they are finalized.

With reference to Atlanta, the proposed plan recommended the relocation of HMA-773 (10 AH-1J) from Dobbins AFB to MCAF Quantico, Virginia. VMO-4 (17 OV-10A) and the other units of Marine Aircraft Group 49, Detachment B were planned to remain. The following rationale was provided by the Fourth Marine Aircraft Wing to support the AH-1J move:

To improve operational, maintenance and supply effectiveness by eliminating the requirement to manage two separate and diverse type aircraft (e.g., fixed wing and helicopters) at the same location.

To relieve the crowded hangar and aircraft parking ramp conditions and resultant unsafe operating environment which presently exists at the Atlanta facility.

This specific proposal along with the others contained in the plan will be considered by the assessment group previously mentioned.

INDIVIDUAL READY RESERVISTS

Senator NUNN. How is the Marine Corps support structure organized to support Individual Ready Reservists in terms of their records, requests for active duty, management of careers, etc?

General CRIST. The Marine Corps must assure that the Individual Ready Reserve (IRR) is continually categorized, trained and avialable to meet all mobilization requirements. At the present time, the IRR is not adequately grouped, for management and training purposes, to assure availability of the proper mix of trained personnel to meet wartime requirements. The Marine Corps Reserve lacks an adequate management organization to manage and insure the mobilization readiness of individual reservists. These are critical defects as increasingly stringent mobilization response parameters necessitate the attainment of a higher individual Reserve response posture.

To overcome these deficiencies and respond to OSD guidance to establish individual Reserve management programs, an organizational structure consisting of personnel, facilities and equipment is being established to receive, administer, assign, mobilize, train and discharge individual reservists. Integral to this management organization is an ADP capability to support the administration, pay and pre-mobilization assignment of individual reservists during peacetime and adequate system support for the mobilization of pre-trained individual reservists.

Establishment of this management organization will require full-time Reserve Support Personnel, additional civilian personnel, data processing equipment communications and necessary administrative support. The funds to initiate this project are contained in the fiscal year 1981 supplemental and fiscal year 1982 budget.

RESERVE SUPPORT OF ACTIVE UNITS

Senator NUNN. What are some examples of reservists providing support to active Marine units and is there any plan for expansion of this effort?

General CRIST. The Marine Corps Reserve supports the active forces through the integration of selected reserve units into major exercises and training of individual reservists alongside their active counterparts.

During fiscal year 1980, 16 units participated in NATO exercises, 89 in joint exercises and 160 in intraservice exercises. Working with and under the command of regular forces, these exercises afforded a realistic medium to prepare Reserve units to effectively respond to the augmentation or reinforcement missions that are anticipated at or shortly after mobilization. The ability to deploy to such diverse locations as Norway, Turkey and Panama provide exposure to the varied climatic conditions and terrain which may well be encountered in a future conflict. Less direct, but tangible benefits which occur from this type of exercise program are greater confidence and dependence on reserve units by active Marines and an incentive to retention for Reserve Marines. The eventual goal is to integrate wherever and whenever possible reserve units into active force evolutions, thereby easing the strain on a heavily deployed Fleet Marine Force and engendering the intracapability of active and reserve units which is essential to wartime employment. We intend to expand this effort as funds and appropriations permit.

Members of the Individual Ready Reserve provided support to active Marine units through participation in the Reserve Counterpart Training (RCT) program. This program prepares individual reservists for mobilization assignments by placing them alongside active duty counterparts at Fleet Marine Force units, posts and stations throughout the United States. These programs have been exceptionally well received by both host commands and individual reservists. During fiscal year 1980, 650 officers and enlisted performed RCT and for fiscal year 1981 this program has been expanded to 1,500 officers and enlisted. For fiscal year 1982, the RCT program will be further expanded to include over 1,700 officers and enlisted.

An encouraging byproduct of the RCT program has been an increasing number of requests for individual reservists to augment regular tactical headquarters during large exercises. Individual reservists participated in a Rapid Deployment Joint Task Force exercise with an active duty Marine Amphibious Force, a JCS-directed mobilization exercise, and recently with another Marine Amphibious Force during an exercise in Korea. This type of employment affords a unique opportunity to assist the regular Marine Corps in the full spirit of Total Force while providing excellent premobilization training to the reservists involved.

PROMOTION TIMES

Senator NUNN. What are the typical promotion times for Marine Reservists from second lieutenant through the ranks of colonel? What are the percentages of those eligible who are promoted in recent years? Have there been any changes in these trends in recent years?

General CRIST. Promotion times and selection percentages for Marine Reservists proximate those for the active forces. A breakdown since 1978 is as follows:

	Colonel	Lieutenant colonel	Major	Captain	1st lieutenant
Average times in grade to promotion (years):					
1978	6.0	6.8	6.6	2.3	2
1979	5.6	6.6	5.7	2.4	2
1980	5.2	6.6	5.0	2.2	2
Actual selection percentages:					
1978	55	70	79.0	95.0	----------
1979	55	70	80.0	92.3	----------
1980	60	75	84.9	95.0	----------

Note: There have been no significant changes to these trends in recent years.

TOP LEVEL SCHOOL

Senator NUNN. General Bronars, what is the current process used by the Marine Corps for selection to Top Level Schools?

General BRONARS. Officers are selected annually for Top Level School by a formally precepted board. The most recent board met in August 1980 and selected 65 officers as primary attendees and an additional 51 officers as alternates. The latter group is utilized if a replacement is required for a primary selectee. The board also determines which school the primary selectees will attend. Lieutenant

Colonels, less the most junior year group, and only the junior year group of Colonels are eligible for consideration by the board. However, to attend school, selectees must be available for transfer in accordance with Departemnt of Defense assignment policies. Officers who are not eligible for assignment to Top Level School are:

(1) Those who have failed selection to Colonel.

(2) Those who have either requested retirement or requested that they not be considered.

(3) Limited duty officers.

(4) Those who have previously attended TLS.

Senator NUNN. General Bronars, what has been the Marine Corps experience in the last four years in terms of individuals who were selected who elected not to attend?

General BRONARS. The following figures show officers considered for primary Top Level School selection, the number of primary selects, and the primary selects who declined attendance from 1977 to the present. It should be noted that the 1980 figures include those officers who have been selected to attend school during Academic Year 1981/82 (June 1, 1981–May 31, 1982) and are accurate through March 11, 1981.

	1977	1978	1979	1980
Officers considered	1,077	1,101	903	953
Primary selectees	61	63	56	65
Number of primary selectees who declined attendance	12	20	16	10
Percent of primary selectees who declined attendance	19.6	31.7	24.6	15.3

Senator NUNN. General Bronars, what are the general reasons these apparently outstanding Marines elect not to attend Top Level Schools? Do you consider these trends with concern and what is the Marine Corps doing about it?

General BRONARS. I think that it is important to state from the outset that, while we recognize it would be ideal for every officer who is selected for that level of school to subsequently attend, we are not concerned with the present situation. As previously stated, we have had 58 officers drop from the Top Level School primary list in the past four years. We have found that there are two basic reasons that some officers decide not to attend. They are: (1) the officers planned to retire and did not want to incur the two year service obligation associated with successful completion of school (35 cases); and (2) some selectees preferred to remain in or execute orders to the operating forces of the Fleet Marine Force (FMF) in order to have the opportunity to serve in FMF command billets (13 cases). The remaining 10 officers opted not to attend for various unrelated personal and/or professional reasons. We are not overly concerned that 35 of the selectees requested retirement. This number is consistent with the overall retirement statistics for all Lieutenant Colonels over the past four years. That some officers prefer assignments in the FMF, in lieu of attending Top Level School, is understandable since the Corps has always placed emphasis on the value of FMF command.

MARINES ASSIGNED TO NATO BILLETS

Senator NUNN. How many Marine Corps officers are now serving on NATO staffs in varying capacities? What is the historical background in this area.

General BRONARS. The Marine Corps currently has 27 officers serving in varying capacities on NATO staffs. These billets have been accepted by the Marine Corps because of our particular interest in the functions these staffs perform and their relationships to possible Marine Corps employment. For example, four officers are assigned to the Headquarters, Allied Forces Northern Europe, five to Headquarters, Allied Forces Southern Europe, six to Headquarters, Naval Striking and Support Forces Southern Europe, while one is assigned to Headquarters, Allied Forces Central Europe. Of the 27 billets, 6 have been added since 1974.

MARINES ASSIGNED TO RDJTF

Senator NUNN. How many Marine Corps officers are now serving on the RDJTF staff? What are the numbers for the other services?

General BRONARS. There are presently 18 Marine Corps officers assigned to the RDJTF staff. The fiscal year 1980 manpower authorization documents indicate that there are 56 Army, 29 Navy, and 42 Air Force officers also assigned to the RDJTF.

Senator **Nunn**. General Bronars, you call for enactment of dependent dental care under the CHAMPUS program and for a clear-cut ceiling on the potential cost to the service member in cases of catastrophic illness or injury as well as the elimination of deductibles. Is there a specific legislative proposal to accomplish these changes? Do these proposed changes have DoD support? What would be the cost?

General **Bronars**. These additional CHAMPUS benefits have the support of the Assistant Secretary of Defense for Health Affairs but the final priority that will be assigned to each by the Department of Defense in relation to other proposed compensation benefits is still not known.

A 1980 House of Representatives bill providing for dependent dental care and carrying a fiscal year 1982 cost of $210 million has recently been re-introduced into Congress. However, the Marine Corps is supportive of a different proposal that is currently being considered by the Department of Defense which has a projected first year cost to the government of $230 million.

The elimination of deductibles and the establishment of a cost-ceiling, when providing these medical care benefits to the dependents of both active duty and retired personnel, are expected to cost $57.4 million and $74.5 million, respectively.

FISCAL YEAR 1981 REAGAN BUDGET

Senator **Nunn**. Admiral Zech, the Reagan budget requests an end strength of 540,000 active duty naval personnel—an increase of 12,800 over fiscal year 1980 and an increase of 2,500 over the strength requested by President Carter. What are the requirements for these increases?

Admiral **Zech**. The increase of 12,800 active duty naval personnel in fiscal year 1981 over fiscal year 1980 is required for an increasing fleet size and to improve fleet manning. There will be a net increase of twelve active fleet ships plus more more aircraft. These personnel will also be used to increase the personnel readiness in existing fleet ships and aircraft squadrons.

FISCAL YEAR 1985 NAVY MANPOWER

Senator **Nunn**. Admiral Zech, what level of active duty personnel is the Navy planning for fiscal year 1985?

Admiral **Zech**. We are currently planning for an end strength of around 600,000 active duty personnel in the Navy in fiscal year 1985.

RECRUITING

Senator **Nunn**. On page 17 of your statement, Admiral, you say, "I am cautiously optimistic that we can sustain this momentum and achieve our accession goal for fiscal year 1981, which will require about 7,000 more accessions than fiscal year 1980. However, if economic conditions improve and civilian employment opportunities expand, we once again will be put at a disadvantage."

Would you change from being "cautiously optimistic" to being pessimistic with an additional recruiting objective of 2,500 personnel?

Admiral **Zech**. I would not change from being cautiously optimistic to being pessimistic over the additional end strength requested improvements in retention and attrition loss behavior. Hence, Navy will not increase the recruiting objective for fiscal year 1981 over that associated with the Carter Budget.

Senator **Nunn**. Do you intend to maintain the quality of recruit accessions in 1981, even with the increased recruiting objective?

Admiral **Zech**. Navy will maintain and slightly improve the recruit quality profile for its fiscal year 1981 accessions. In fiscal year 1980, under the renormed ASVAB 5/6/7, 59 percent of the non-prior-service males were in MG I–IIIU. Navy's fiscal year 1981 male non-prior-service MG I–IIIU goal is 60 percent. Additionally, in fiscal year 1981, Navy has placed a 13 percent ceiling on the number of non-prior-service MG IV males (all of whom must be high school diploma graduates) who may be accessed. In fiscal year 1980, 18 percent of our non prior-service male recruits were in MG IV. Finally, for fiscal year 1981, Navy has retained its fiscal year 1980 male high school diploma graduate target of 72 percent.

Senator **Nunn**. In fiscal year 1980, 75 percent of the recruits were high school graduates. Now you implemented a policy requiring 76 percent of the recruits to be in the higher mental groups. If recruiting becomes more difficult in 1981 and 1982, will you maintain these quality standards even if it means recruiting fewer people, or will you go for the numbers and reduce the quality?

Admiral **Zech**. The fiscal year 1980 recruiting policy required 74 percent of Navy NPS male recruits to be in Mental Groups I–IIIU. This single standard policy replaced the fiscal year 1979 multiple entry standard system requiring 76 percent high school diploma graduates and 83 percent school eligible recruits. As previously indicated when the ASVAB 5/6/7 was correctly normed the 74 percent Mental Groups I–IIIU actually became 59 percent. Thus, the fiscal year 81 policy requiring 60 percent of the NPS male accessions to be in Mental Groups I–IIIU is a slightly higher standard.

We monitor our recruiting success and entry level individual performance very closely to ensure that the policy we have established provides the kind of people we need to meet our requirements. However, if recruiting were to become more difficult in fiscal year 1981 and fiscal year 1982 and neither improved Recruiting Command management nor increased recruiting resources enabled us to meet our numerical goals, we would have to review the options available. One of these options, of course, would be to lower our quality standards. This option would have to be considered in the context of Navy's technical requirements. If the technical needs of the Navy could not be met with lower quality standards then Navy would have to accept the shortfall to requirements. Given the proper level of recruiting resources, Navy does not anticipate missing the recruiting goals for fiscal year 1981 and fiscal year 1982.

MANPOWER FOR REACTIVATIONS

Senator **Nunn**. The new Reagan budget calls for the reactivation of the carrier *Oriskany* and two battleships. How much manpower is necessary for these reactivations in fiscal year 1981? In fiscal year 1982 and future years? How many of these people must be petty officers?

Admiral **Zech**. There is no major manpower requirement for the reactivation ships in fiscal year 1981. The requirements for 1982 through 1985 are as follows

	Fiscal year 1982		Fiscal year 1983		Fiscal year 1984		Fiscal year 1985	
	Officers	Enlisted	Officers	Enlisted	Officers	Enlisted	Officers	Enlisted
Oriskany	15	85	74	1,285	116	2,085	116	2,085
New Jersey	62	1,500	62	1,500	62	1,500	62	1,500
Iowa			62	1,500	62	1,500	62	1,500

Note: The above figures are for ship crew only and do not include support. The Oriskany needs about 590 petty officers (E–5 to E–9) and each battleship needs about 390 petty officers (E–5 to E–9).

FISCAL YEAR 1981 AUTHORIZATION INCREASE

Senator **Nunn**. Last year, the Armed Services Committee recommended an increase in Navy active duty manpower associated with their recommended reactivation of the carrier *Oriskany* and the battleship *New Jersey*. We recommended an increase of 3,250 personnel, including personnel to man the ships, associated air crews, and necessary support and training. Although in the final enactment of the 1981 appropriations bills, the funds were not included for these reactivations, the end strengths were not changed. So, the Navy received strength increase of 3,250 that had turned out was not necessary because the ships were not reactivated. What did the Navy plan to do with these additional personnel if the ships were not activated? Can this total of 3,250 now be applied towards the manpower needed to reactivate ships?

Admiral **Zech**. The Navy has utilized the fiscal year 1981 Appropriation end strength increase to bolster the manning of existing fleet units and air squadrons. These people were available due to improved recruiting and retention resulting from congressionally sponsored compensation improvements. With the reactivation of the *Oriskany* and *New Jersey* now funded in the fiscal year 1982 amendment it is highly desirable to increase strength further. Otherwise, manpower on existing ships and air squadrons will have to be drawn down to accommodate the CV and BB. We want these people to improve ship/squadron manning in order to improve unit readiness.

CIVILIAN END STRENGTH

Senator **Nunn**. The Reagan budget requests a civilian end strength for the Navy and Marine Corps of 317,000—an increase of 8,200 over fiscal year 1980 levels and an increase of 4,600 over that recommended in the Carter budget. What functions will these additional civilian perform?

Admiral **Zech**. The Reagan budget requests 317,509 civilians at the end of fiscal year 1981 for the Department of the Navy. This represents an increase of 8,789 from the fiscal year 1980 end year level and an increase of 5,160 over the Carter budget. Significant fiscal year 1981 additions to the Carter budget include 2,865 for Air Rework Facilities, 300 to administer the contracting out program, 500 for naval shipyards, and 729 to restore previous contracting out decrements which cannot be excuted in fiscal year 1981.

Senator **Nunn**. For fiscal year 1982, Navy and Marine Corps civilian end strength would decrease under the Reagan budget to 313,000. What is the reason for this decrease?

Admiral **Zech**. The Reagan budget requests an fiscal year 1982 end strength of 312,989 which is 3,650 above the Carter budget and 4,520 less than the fiscal year 1981 supplemental request. The fiscal year 1982 reduction from fiscal year 1981 is caused by contracting out decrements totalling 8,641 which are partially offset by an increase of 5,007 for shipyard. The shipyard increase is primarily related to activation of the *Oriskany*, the *New Jersey* and overhaul of three diesel submarines; all of which are included in the fiscal year 1982 budget amendment.

PILOT RECRUITING

Senator **Nunn**. Admiral Zech, on page 23 of your statement you express concern over possible Fiscal Year 81 shortfalls in the Aviation Officer Candidate Program. Does this mean that you are having difficulty recruiting pilots?

Admiral **Zech**. The very significant increase in the Aviation Officer Candidate (AOC) recruiting quota (fiscal year 1980—245; fiscal year 1981—890) alone contributes to the difficulty in recruiting pilots. Additionally, with the previously lower AOC recruiting quotas, less emphasis was placed on work force recruitment than on recruitment of college graduates. While the work force market will obviously need to be expanded to assist in the future attainment of the AOC recruiting quota, it is anticipated that the fiscal 1981 AOC recruiting quota will be achieved.

PILOT TRAINING RATE

Senator **Nunn**. On page 47 you indicated that for the first time in years the Navy met the authorized pilot training rate in Fiscal Year 1980 and that it now appears you will meet the 1981 pilot training rate. Is this optimism about meeting your 1981 pilot training rate consistent with your concerns about being able to recruit enough pilots?

Admiral **Zech**. Yes it is. The flight training pipeline which results in a designated naval aviator spans approximately an 18 month timeframe. Attainment of the fiscal year 1981 pilot training rate would therefore be accomplished primarily with fiscal year 1980 Aviation Officer Candidate inputs and 1980 graduates of the Naval Academy and NROTC. The ability to recruit to the fical year 1981 Aviation Officer Candidate quota will reflect, for the most part, on attainment of the fiscal year 1982 pilot training rate.

UHPT CONSOLIDATION

Senator **Nunn**. Admiral Zech, the Carter budget for Fiscal Year 1982 once again proposed the consolidation of Undergraduate Helicopter Training, which transfers the training of Navy pilots to the Army. Does the Reagan budget also propose this consolidation?

Admiral **Zech**. No. The Reagan budget has provided aircraft procurement and operational funding necessary for Navy to continue to conduct undergraduate helicopter training. This will end the years of uncertainty and upheaval which this issue has generated.

Senator **Nunn**. Do you support the consolidation of Undergraduate Helicopter Training under the Navy?

Admiral **Zech**. No. With the present and planned size and scope of the helicopter pilot training which both the Army and Navy conduct, there would be nothing to gain from the standpoint of economy of scale. The Army's mostly visual overland mission and the Navy's overwater role with its heavy emphasis on instrument flying are different enough that there are significant differences in training requirements. These unique training needs can best be served by Army and Navy continuing to operate and control their own syllabus. Also, present Navy assets and facilities are not sufficient to handle the increased pilot training load which would be required.

Senator NUNN. Congress has repeatedly rejected the proposal to consolidate helicopter training. While there are many reasons given, isn't it true that when the proposal was first made there was excess capacity in helicopter training in the Army but that now helicopter pilot training rates for the Army have increased significantly, so that there is a question of whether or not the Army could absorb the Navy training? Have you updated an analysis of the costs for savings associated with helicopter training and would you please provide that for the Record?

Admiral ZECH. The Army has increased its planned annual training rate of helicopter pilots to the point where the previous excess capacity has been reduced such that they feel they can no longer absorb consolidation as originally conceived. We have not updated our cost savings analysis of this issue since the Army stated that the changes in their status would require an extensive study to be conducted to determine the feasibility of consolidating helicopter pilot training under the Army.

Senator NUNN. Admiral Zech, on page 21 of your statement you indicate that in Fiscal Year 1980, you were only able to recruit 115 nuclear propulsion officer candidates, compared to the goal of 263. Would you agree that the Navy's continual inability to reach its accession goals is the most serious officer manning problem that you face and that the failure to bring new people in is, in part, causing current officers to spend additional tours at sea and is hurting retention?

Admiral ZECH. The Navy's most serious officer manning problem is twofold; the continual inability to reach its accession and retention goals for nuclear officers. The Navy has under accessed officers for nuclear training for a number of years. Because of greater annual needs, this shortfall has the greatest effect on the submarine force. The failure to meet accession goals means that available officers must spend additional years at sea to make up for the shortfall. This, in turn, causes retention to drop and for those remaining to spend even more time at sea. A number of initiatives have been taken to correct this under accession problem. Even when non-volunteers from the Naval Academy and NROTC Class of 1980 were ordered into nuclear training, the total accession goal was not achieved; primarily due to the significant shortfall in the recruiting of reserve officers which you point out.

NUCLEAR OFFICER ACCESSIONS

Senator NUNN. What are your accession goals for 1981, and how are you doing so far?

Admiral ZECH. Accession goals and sources for 1981 nuclear officers are shown:

Source	Submarine		Surface	
	Goal	Accession	Goal	Accession
USNA	200	204	50	13
NROTC	200	139	50	31
NUPOC	255	[1] 150	0	5
Other	0	3	3	0
Total	655	496	103	49

[1] Estimate.

Note: With service selection for 1981 officers essentially complete, a shortfall of 213 officers is predicted.

PAY INCREASE FOR NUCLEAR OFFICERS

Seantor NUNN. What have been the results of the pay increase in the accession bonus and the continuation special pay for nuclear officers?

Admiral ZECH. We are seeing some initial positive benefits in accessions. The Submarine nuclear accession goal at the Naval Academy was achieved this year, but the total goal was not. NROTC and NUPOC accessions, however, have not demonstrated the same positive reaction to legislative initiatives. With the legislative package being effective relatively late in the recruiting year, it is premature to predict the establishment of any trends. The absence of an initial accession bonus for officers selecting surface nuclear power is affecting accessions in this community, with less than half of goal attained. In retention, we are now predicting retention rates for submarine nuclear officers of 35 percent for fiscal year 1981 and 37 percent for fiscal year 1982, up from 28 percent and 24 percent previously predicted. Careful observation for several months is necessary, however, to firmly establish a lasting correlation with key year group retention.

INCREASED MARINE CORPS END STRENGTH

Senator NUNN. General Bronars, the Reagan budget requests a Marine Corps end strength of 191,000 in Fiscal Year 1981 and 192,000 in Fiscal Year 1982. The 1982 level is 3,900 above that requested by President Carter. What are the requirements for these increases?

General BRONARS. The Marine Corps is requesting 190,600 end strength in fiscal year 1981 and 192,100 in fiscal year 1982. As you know, we have resisted increasing end strength until we solved the quality problem and started to realize the benefits of our emphasis on quality over the past six years. It has always been our intention of increasing end strength when we could do so and still further enhance overall personnel quality in the Corps. We have reached that point now and intend to take advantage of the situation to satisfy long standing requirements. As you know, the Marine Corps peacetime structure requires 210,000 personnel for full manning. We, therefore, have a number of requirements for personnel that are outstanding. We would use the 4,000 increase above that requested in the Carter budget to satisfy only the highest priority requirements. Specifically, this increase would be used to strengthen long neglected combat service support capabilities by substantially improving currently low manning levels in a variety of units (e.g., engineer, maintenance, supply, landing support, and motor transport) and by reestablishing selected units currently in a cadre status. We would also bring aviation and ground combat units closer to the desired 100 percent manning levels. This increase in end strength would result in substantially improved readiness and, equally important, greatly enhanced capabilities to sustain forces in combat.

QUALITY IN THE MARINE CORPS

Senator NUNN. General Bronars, for the past three years the Marine Corps has maintained a level of 75 percent high school graduates among its recruits. Do you intend to maintain this quality level?

General BRONARS. Yes. Our recruiting goals for this year are 75 percent male high school graduates and 100 percent female high school graduates.

QUALITY—CATEGORY IV LIMITS

Senator NUNN. General Bronars, witnesses from the Office of the Secretary of Defense have recommended that the current quality restrictions in law limiting the number of Category IV personnel who can be enlisted or inducted into the military should be repealed. What benefits has the Marine Corps reaped from its emphasis on quality? Do you agree with the OSD recommendation that quality restrictions be removed?

General BRONARS. From 1975 through 1980, we increased the number of high school graduate accessions from 52.7 percent to 77.8 percent. We also placed a 10 percent cap and a high school diploma requirement on Category IV accessions. Even though the ASVAB test was misnormed and we were in fact enlisting about 27 percent Category IV personnel up until October 1st of last year, the combined effects of the action were decreases in the following areas: (1) Non-EAS attrition by one-third, (2) courts martial by nearly two-thirds, (3) desertion rates and punitive discharges by two-thirds, and (4) unauthorized absence rates by three-fourths.

A recently completed Marine Corps analysis of the relationship between measures of performance on the job and personnel quality shows that high school graduates perform better than non-high school graduates of equal or higher mental ability. Performance on the job was measured by attrition, training, school performance, recommendation for promotion and reenlistment, and supervisor ratings. Data were collected for the infantry, communications maintenance, and motor transport fields. The study contained three important findings: (1) the best currently available overall measure of job performance in the Marine Corps appears to be completion of the first term of service and promotion to corporal; (2) there exists a strong, positive relationship between ASVAB scores, from which mental categories are derived, and job performance; and (3) there exists an even stronger relationship between job performance and education level.

The findings of our study support continuation of our emphasis on limiting accessions in terms of both non-high school graduates and Category IV personnel. We intend to continue the restriction currently in force, i.e., at least 75 percent of new accessions must be high school diploma graduates and no more than 10 percent can be classified in Category IV. All Category IV new accessions must be high school graduates.

INCREASED MARINE CORPS END STRENGTH

Senator **Nunn**. Admiral Zech and General Bronars, Army witnesses before this Subcommittee expressed some concern that increases in recruiting levels by other Services could make the Army's recruiting job more difficult. Under the Reagan proposal, combined Navy and Marine Corps active duty end strengths will increase by over 9,000 in Fiscal Year 1982 from the levels in the Carter budget. Do you feel that these increases will make the Army's recruiting job more difficult?

General **Bronars**. The Marine Corps recruiting goals for fiscal year 1982 remain unchanged from the Carter budget. Our increased end strength is based on increases in retention and reductions in attrition; therefore, no impact on the Army's recruiting effort should result.

Senator **Nunn**. Last year, the Subcommittee asked the GAO to review the feasibility and impact of the Navy's increasing the use of civilian seamen to man positions of the Navy's support. GAO has completed a statement of facts which I would like to insert into the record and ask that Secrerary Murray respond to the questions raised for this record.

[A copy of the GAO report plus accompanying questions follow:]

Manning of Naval Support Ships

BACKGROUND

GAO was requested by the Subcommittee on Manpower and Personnel, Senate Armed Services Committee to review the feasibility and impact of the Navy's increasing the use of non-civil service merchant seaman to man portions of the Navy's support fleet. As agreed at a December 16, 1980, meeting with the Subcommittee, we are providing data and questions on civilian manning of ships.

Civilian manning of Navy ships

The Navy now operates 79 ships with civilian crews. All civilian crewed ships are operated by the Military Sealift Command (MSC), the industrially funded single manager for ocean transportation. MSC predominately uses civil service crews to man its ships. However, 18 tank ships owned or controlled by MSC under "bareboat charter arrangements"[1] are operated by contractors who employs union seamen. The MSC controlled fleet also includes 53 chartered ships which are operated by the ships' owners who also employ union seamen.

In addition the Navy operates 72 military manned ships which are engaged in various fleet support tasks. The Navy has identified about 25 of these ships as candidates for conversion to civilian manning.

The Navy has a continuing interest in the civilian manning option of its logistical support ships due to shortages of Navy personnel in many skilled seagoing billets, and therefore, looks favorably on the option of transferring more ships to MSC and manning them with civilian crews. Two options of civilian manning are available, civil service or contract manpower. The Military Sealift Command prefers the civil service option. Maritime union and ocean carriers would like to operate the Government ships under contracts.

DOD has considerable experience under both options. During Vietnam, Korea and World War II Government-owned cargo ships were operated by contractors using union crews to move military supplies into the war zone. Ships currently in the Indian Ocean RDF are operated by civil service and contractor crews. Government owned cargo ships in MARAD's Ready Reserve Force would be operated by contractors if they are called into service.

Civilian ships operated by MSC perform a myriad of logistical functions such as:

Point to point supply mission,
Support to on station Navy task forces using underway replenishment methods,
Tug service, salvage and rescue, and
Ocean research.

Studies prepared

The most pertinent studies dealing with the civilian manning of Navy ships are:

Investigation of the Potential for Increased Use of Civilian Manning in Fleet

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[1] Bareboat charter—The owner of the vessel relinquishes control and management of his ship to the contractor (in this case MSC) for a lengthy period of time. The charterer is responsible for the crewing, management and operating costs of the ship. At the time the charter expires, the vessel is returned to the owner.

Support Ships (Civman). This study was prepared by Information Spectrum for the Department of the Navy and was released on July 17, 1978.

Civilianization of Navy Fleet Support Ships (JMC Study). This is a draft report prepared for the Joint Maritime Congress by Ruttenberg, Friedman, Kilgallon, Gutchess and Associates, Inc. This report has not been released in final form.

Analysis of a Study Entitled "Civilianization of Navy Fleet Support Ships." Prepared for the Joint Maritime Congress (CIV77). This study was prepared for Navy by Information Spectrum, Inc. and was released by Navy on February 18, 1981.

Types of ships on which merchant seamen could be employed

The initial Joint Maritime Congress report identified 95 ships of the Mobile Logistics Support Force as candidate ships for conversion to civilian manning. The Mobile Logistics Support Force includes those Naval ships dedicated to support of Naval Combat Fleets. They are oilers (AO), Ammunition ships (AE), stores ships (AR), combat stores ships, (AFS), fleet ocean tugs (ATF), destroyer tenders (AD), multi-product replenishment oilers (AOR), multi-product fast combat support ships (AOE), heavy repair ships (AR), salvage ships (ARS), and salvage and rescue ships (ATS).

Currently, some Navy support ships are civil service manned, and the Navy is considering the conversion of some of the others to civilian manning. The table below shows those Mobile Logistics Support Force ships that the Navy has assigned to MSC for civilian manning and those still manned by military personnel.

SUPPORT SHIPS IDENTIFIED BY THE NAVY CANDIDATES FOR CIVILIAN MANNING

Type	Currently assigned to—	
	MSC (civil service manned)	Navy fleets (military manned)
Oilers (AO)	13	8
Ammunition ships (AE)	1	10
Stores ships (AF)	1	
Combat stores ships (AFS)	[1] 1	7
Fleet ocean tugs (ATF)	7	
Total	23	25

[1] This ship is assigned to MSC from the British Fleet.

In addition, 5 ATFs and 2 AO's are assigned to the Naval Reserve Fleet and are scheduled for retirement. The Navy is not now considering transfer of the other type logistics support ships because their mission is too closely associated with combat support or they require such large military detachments that could not be accommodated on a ship configured for civilians.

GAO discussions with representatives of trade unions, operating companies, and industry associations indicate basic agreement with the Navy's selection of candidate ships for civilian manning. They agreed that AO's, AE's, ATF's, AFS', and AF's are the most likely candidates for civil in manning. They however, would prefer to see these ships manned with contract seamen.

It should be noted that DOD anticipates that ships selected for civilian manning may be required to operate in a combat environment. Historically, civil service as well as merchant seamen have many times in the past operated in a combat environment and the probability of doing so again is accepted by all industry and MSC officials we interviewed.

Navy officials we interviewed and Navy statements we have read set the following order of priority for civilian manning of support ships. The Navy would prefer that all support ships which directly serve underway combatant ships be military manned. However due to shortages of military personnel, it accepts the option of having Civil Service seamen operate ships under direct control of the Navy fleets. Contract manned ships are acceptable for point-to-point logistic missions performed by cargo ships, tankers, etc. MSC history indicates reluctance to enter contracts for ship operation, preferring to man its ships with Civil Service crews. As noted above, it does however have contracts for the operation of 18 tankers providing point-to-point resupply with occasional underway replenishment missions.

Cost comparisons for a particular ship

The above studies do contain cost comparisons for various types of ships and different assumptions were used. Highlighted below are the cost comparisons for a replenishment oiler (AO)—a type of ship included in all studies and the most frequently referred to type of ship for conversion to civilian manning.

ANNUAL COST ESTIMATES FOR A REPLENISHMENT OILER (AO)

[Dollar amounts in thousands]

	Civman	JMC	CIV77
Civil service manning	$6,794	$4,870	$5,815
Contract manning	7,944	3,646	6,782

Note: The differences are not substantial.

Scope

GAO's review into the manning alternatives for Navy support ships was quite limited by time restraints and the unavailability of key studies. We held numerous discussions with representatives of various maritime interests. We solicited views of skilled and unskilled trade unions, dry cargo ocean carriers and bulk fuel tanker ship owners and operators. We held discussions with Navy and MSC officials and obtained documentation concerning the operation and manning of Navy support ships. We analyzed Defense Audit Reports and obtained documentation supporting those reports.

We reviewed the Civman study, the JMC draft report and the CIV77 report. However, since the JMC study has not been released in final and its sponsors informed us that it was to be substantially revised, our analysis was quite limited. The CIV77 report was not released by Navy until February 17, 1981, leaving us little time for detailed review.

ISSUES AND QUESTIONS

Civilian manning of oilers

In commenting on a GAO report in 1978 (LCD-78-234, Aug. 30, 1978), the CNO stated that the Navy would be converting all of its replenishment oilers (AOs) to civilian manning and that all future AOs would be built for civilian crews. Since then the Navy has converted some AOs to civilian manning under MSC. However, the new AO-177 oilers are still being built for manning by military personnel.

The Naval Audit Service in May 1980 recommended that Navy consider transitioning AO-177 class oilers to MSC operation at the time of the first scheduled overhaul. They estimated that Navy would reduce total life cycle costs by $212 million. The Navy responded by citing (1) a need to maintain some oilers as military manned, (2) a high cost for ship conversion ($18.5 million) (3) a lesser variance in operating cost because of reduced military manning practice, and (4) MSC difficulty in recruiting and manning for its current ships.

The Chief of Naval Operations requested an evaluation to determine what the minimum number of Navy-manned fleet oilers should be.

1. Has the Navy completed its evaluation of the need for military manned oilers?
2. If so, what were the results.
3. Does not the high cost of conversion cited by CNO in its reply to the Naval Audit Service also include overhaul functions not related to civilian modification which would be necessary anyway.
4. What difficulties is MSC experiencing in recruiting and manning of existing ships? (MSC has informed GAO that it has experienced only minimal difficulties in specific skills.)
5. Did the Navy consider modifying the AO-177 class ships while they were being built?
6. Will the follow-on AO-187 class oiler scheduled to be constructed in the mid-1980's be configured for military or civilian manning?

Navy manning levels

Military manned Navy support ships require considerably more personnel than do civilian ships. For example a new Navy manned AO-177 oiler has a total manning requirement of 198. The same ship operated by MSC would require 89 merchant seamen and a 19-man military detachment. The first new AO-177 has been delivered and the other four are expected to be delivered by mid-1982.

Differences in manning philosophies explain the differences in manning scales. The Navy mans its ships to provide a range and depth in watch standers at ship operating and control stations for maintenance, and for damage control. Military ships also provide many administrative services not bound on civilian manned ships. Navy ships are used as a training medium for first-term sailors. On the other hand, civilian seamen rely greatly on unattended equipment and use of off-watch personnel during underway replenishment operations.

1. Where will the requirement for about 1,000 officers and enlisted personnel come from for manning the AO-177?

2. Won't it further aggrevate existing personnel shortages?

3. If these ships had been configured for civilian manning, would MSC, (the Military Sealift Command) in today's merchant marine labor market, be able to acquire sufficient and capable seamen to man a new acquisition of this size?

Civilian manning requirements

Civil Service manning reqirements are developed by MSC based on functional anslysis of the tasks required to insure peacetime mission performance and ship maintenance. Before a Navy ship is converted to civilian manning, MSC personnel teams board the ship and perform these analyses. Estimates of contractor manning levels are developed by the Maritime Administration from functional analysis.

Because the ships in the Mobile Logistic Support Force have no true counterpart in the civilian industry, Navy officials inform us that a true comparison of Government/Industry manning levels can not be made.

The Navy is still experiencing severe shortages of skilled sailors, yet is moving very slowly in converting support ships it has identified as candidates for conversion to civilian manning. For example, only one ammunition replenishment ship (AE) has been turned over for conversion to MSC.

In addition, the Navy has expressed certain reservations with respect to contract manning. This includes concern over:

Possibility of strikes,
Need for security clearances,
Retention of crews during emergencies, and
Degree of authority and discipline it can exercise.

1. What factors must the Navy consider before converting more ships?

2. Would the transfer of support ships to MSC greatly alleviate manpower problems and release skilled sailors for duty on fully combatant ships?

3. Does the Navy consider their concerns about contract manning as a serious impediment to the use of contract seamen?

4. Does the Navy of MSC impose any requirements or constraints on a contract operator of a Navy vessel in crewing the vessel?

5. What effect will the use of civilian crews on fleet support vessels have on the Navy's ability to provide logistic support to its fleet during peacetime and wartime?

MSC current contract operations

Currently, MSC contractors operate point-to-point tankers. However, MSC has prepared cost estimates showing that the civil service operation of these ships would be less expensive. These estimates have been reviewed by the Navy Audit Service and by the Defense Audit Service. Both reviews made corrections to MSC's cost estimates, but both concluded that the civil service manning option is less expensive. Nevertheless, MSC was directed by the Navy to continue having the Navy to continue having the contractors operate the tanker ships.

1. Has MSC or the Navy experienced problems with the contractor operations for the tanker ships which would not have occurred if the ships were manned by civil service personnel?

CIVILIAN MANNING OF OILERS

Senator **Nunn**. Has the Navy completed its evaluation of the need for military manned oilers? If so, what were the results?

Mr. **Murray**. The Navy has reviewed the studies that define oiler force levels and has determined that military manned oilers are required in those areas where operations within a battle group are necessary. These areas are CVBG station ship backups, support to a Surface Action Group and, potentially, support for an amphibious task group.

Senator Nunn. Does not the high cost of conversion cited by CNO in his reply to the Naval Audit Service also include overhaul functions not related to civilian modification which would be necessary anyway?

Mr. Murray. The cost for conversion of the AO 177 to civilian manning was approximate. It is a Class F quality estimate based on inputs from the Naval Sea Systems Command, the Military Sealift command and experience on conversions of other oilers. Cost of overhaul functions not related to civilian modifications was not included.

Senator Nunn. What difficulties is MSC experiencing in recruiting and manning existing ships?

Mr. Murray. MSC currently has all civil service operated ships fully manned. The skill shortages noted are minimal and reflect the industry wide shortage of trained diesel engineers and occasionally a temporary shortage in availability of certain unlicensed ratings.

Senator Nunn. Did the Navy consider modifying the AO 177 Class ships while they were being built?

Mr. Murray. Yes, the Navy considered modifying the AO 177 Class ships to accommodate operation by the Military Sealift Command. This approach was rejected for the following reasons:

(1) Stability problems resulted from the modifications of the deckhouse that would be necessary to accommodate Maritime Union requirements.

(2) In order to alleviate these stability problems, ballast would have to be added which reduce the ship's capacity below its already minimum level.

(3) Delays in delivery of up to 18 months would have resulted from directing the modification and were unacceptable.

(4) There was the potential for exposure of the government to significant (and undefinable) delay and disruption charges.

(5) The final factor that was considered in rejecting conversion was the additional cost of over $12 million just for the required changes to the ship.

Senator Nunn. Will the follow-on AO 187 Class oiler scheduled to be constructed in the mid-1980s be configured for military or civilian manning?

Mr. Murray. The new oiler will be civilian manned.

MANNING OF SUPPORT SHIPS

Senator Nunn. Where will the requirement for about 1,000 officers and enlisted personnel come from for manning the AO-177?

Mr. Murray. The requirements of 60 officers and 930 enlisted billets associated with the five ship AO-177 class program is fully programmed by the Navy within established end strength controls through the FYDP. Personnel to fill these billets will come from officer and enlisted inventories. The officer personnel requirements will pose no particular problem for the Navy. The AO-177 is an extensively automated, minimum manned ship, thus while enlisted numbers are low (compared to other existing fleet oilers) skill requirements (paygrade and training) are very high. New construction ships are carefully manned by the Navy. Approximately 50 percent of the enlisted crew will be accessions while the remainder will come from shore or sea duty transfers in accordance with personnel rotation policies.

Senator Nunn. Won't it further aggravate existing personnel shortages?

Mr. Murray. Although the Navy is short about 22,000 petty officers, the most serious problem is the qualitative shortage of experienced personnel, particularly in several skill areas. Retention of these mid-level officers and petty officers is the solution to the problem. Due to the projected retention increases, and the recruiting of increased numbers of Navy veterans, we expect we will be able to attain end strength and increase readiness. If our projections are correct, I anticipate an increase in fleet manning levels.

NAVY MANNING LEVELS

Senator Nunn. If these ships (AO 177) had been configured for civilian manning, would MSC, in today's merchant marine labor market, be able to acquire sufficient and capable seamen to man a new acquisition of this size?

Mr. Murray. Yes, the Military Sealift Command could man the AO 177s, built and under construction, with civil service mariners.

CIVILIAN MANNING REQUIREMENTS

Senator NUNN. What factors must the Navy consider before converting more ships?

Mr. MURRAY. The primary factors to be considered before converting more ships for operation by the Military Sealift Command are as follows:

(1) The capability of the civilian manned ship to perform the mission. For example, the Navy is currently converting an ammunition ship for operation by the Military Sealift Command. This is the first ammunition ship to be converted. This conversion will be tested in fiscal year 1982 and should it prove viable, the Navy intends to convert additional ammunition ships.

(2) The total cost of converting and operating a civilian manned versus a military manned ship.

(3) The availability of civilian mariners in the required rates to man the ships. For example, in the case of the ammunition ship, ammunition handlers, or stevedores are required. There is no seagoing stevedore rate in the civilian force; thus the Military Sealift Command must train their own men to man the ship being converted.

(4) Technical feasibility of the modification must be examined. For example, it was found that conversion of the AO 177 to civilian manning results in an unstable condition for which ballast would have to be added.

MANNING OF SUPPORT SHIPS

Senator NUNN. Would the transfer of support ships to MSC greatly alleviate manpower problems and release skilled sailors for duty on fully combatant ships?

Mr. MURRAY. Over 600 of the enlisted billets on the AO-177 class require petty officers (E-4/E-9). Many of these billets are for engineering, deck, administrative and supply related ratings. Some ratings, such as the engineering specialties, are severely undermanned in today's fleet. To the extent that petty officer requirements could be reduced for selected ratings which are experiencing skilled personnel shortages, the Navy could readily use thses personnel elsewhere afloat. The shortage of skilled personnel at sea in the Navy today is only one factor which would contribute to any decision regarding civilianization of support ships. Other factors include costs associated with civilian habitability conversion, time lost to support the fleet (10 battleforce), increased ceiling points for MSC, recruiting associated with MSC manning, etc.

CIVILIAN MANNING REQUIREMENTS

Senator NUNN. Does the Navy consider their concerns about contract manning as a serious impediment to the use of contract seamen?

Mr. MURRAY. Yes. The principal concerns can be summarized as follows:

(1) First is the matter of control. Civilian service mariners are subject to uniformed Navy control through Military Sealift Command area commanders and are disciplined exclusively by the Military Sealift Command. Under contract operation, control is indirect: the crew is employed by a commercial shipping company and Military Sealift Command must deal with the company.

(2) The second concern is training. The Navy would lack direct control of ship manning under a contract operation. Union mandated crew rotation and more rapid personnel turnover because of greater union vacation time, and possible assignment of less qualified personnel, would result in a significantly lower level of training in highly skilled and critical shipboard occupations required for underway replenishment and explosives handling and other operations which in turn would degrade the operational readiness of the ships.

(3) Contract manning is more costly than civilian service manning.

(4) Experience demonstrates that maintenance of government owned contract operated ships is inferior to proprietary operations resulting in both short and long term cost increases as well as effects on operational readiness. Material maintenance and spare parts inventory maintenance are typically degraded in contract operation because of rapid personnel turnover (both officer and unlicensed) and built in disincentives.

(5) Finally, strikes and work stoppages are potential impediments. Contract operation of military ships has implicit in it the possibility of strikes to a much higher degree than in civil service manning. The fleet and its supporting auxiliary force provide for the national security; this is not an area of activity in which work stoppages are tolerable.

Senator Nunn. Does the Navy or MSC impose any requirements or constraints on a contract operator of a Navy vessel in crewing the vessel?

Mr. Murray. The following items are provisions contained in the operating contracts for the Sealift, T–5 and *Columbia* class tankers engaged in point-to-point cargo operations:

(1) The operating contracts provide for a specified crew; however, the contracting officer can approve variations to this crew upon justification by the contractor if approved by the U.S. Coast Guard. The Master, Chief Officer and all engineering officers are subject to Government approval.

(2) All crew members shall be US citizens and all officers be qualified for a Government Confidential security clearance.

(3) All crew members must possess U.S. Coast Guard seamen documents and/ or licenses or papers required for the position occupied.

(4) All Masters, if eligible, are required to become members of the Naval Reserve.

(5) The government has the right to request the contractor to remove an employee for unsatisfactory conduct. The investigation and final action rests with the contractor.

(6) The contractor is permitted to carry Federal/State Maritime Academy cadets/midshipmen provided carriage of same does not interfere with Government personnel carriage and the Government will reimburse the contractor for actual wages paid and transportation costs. The contractor can also carry observer/ trainee engineering and deck officers with the same restrictions as cadets/midshipmen but at no cost to the Government.

Senator Nunn. What effect will the use of civilian crews on fleet support vessels have on the Navy's ability to provide logistic support to its fleet during peacetime and wartime?

Mr. Murray. Manning shuttle ships with civilian crews fully trained in underway replenishment has essentially only one drawback: a reduction in the number of uniformed Navy personnel experienced in underway replenishment. Reducing this experience base reduces the number of experienced Navy personnel that can be used to react to expanding support requirements that could be experienced in wartime.

MSC CURRENT CONTRACT OPERATIONS

Senator Nunn. Has MSC or the Navy experienced problems with the contractor operations for the tanker ships which would not have occurred if the ships were manned by civil service personnel?

Mr. Murray. Yes. Military Sealift Command (MSC) has a history of difficulties with contract operation of tankers caused by rivalries between maritime unions for jobs aboard the tankers. In every instance where a contract has been let to a new operator with different union affiliations than that of a previous operator, the unions affiliated with the previous operator have attempted unsuccessfully to upset the procurement action and, on occasion, to disrupt the operation of the tankers. In 1962 when the first such instance occurred, a sitdown strike occurred. Court orders were required to remove the crew members hired by the former operator. *U.S.* v. *National Maritime Union*, S.D.N.Y. 61 CIV 2347, *U.S.* v. *USNS Schuylkill*, U.S.D.C. S.D. Calif. 916–61–TC.

The next instance was in 1972 where the losing unions, and operators on behest of those unions, protested the award to the Comptroller General and brought an action for injunction relief pending the Comptroller General's decision. The Court, in *National Maritime Unions of America, AFL-CIO* v. *John W. Warner, et al.*, USDA D.C., C.A. No. 2236-72, denied the requested preliminary injunction. The Comptroller General denied the protest in decision B–177247 of April 30, 1973.

In 1974 MSC solicited a contract for operation of nine new tankers that were being delivered under a build and charter program. The contract was awarded to Marine Transport Lines, Inc. (MTL). Unions affiliated with other offerors but not with MTL protested that award to the Comptroller General, who denied it in Decision B–181265 of November 27, 1974.

In 1979 two contracts for operating nine tankers were awarded to Trinidad Corporation. District 2, Marine Engineers Beneficial Association (MEBA) and the Seamen's International Union affiliated with the former operators but not with Trinidad prostested the award to the Comptroller General and sought injunctive relief in *District 2, MEBA* v. *MSC*, USDC D.C., CA. No. 79–1173. After a hearing, the trial court denied a preliminary injunction. Thereafter the plaintiffs obtained an ex parte temporary restraining order after hours from a duty judge to whom the case was not assigned. The TRO restrained a tanker that had been crewed by the new operator from sailing to her loading ports. The tanker was not delayed by the order only because of prompt corrective action taken by Government lawyers and an unrelated operational delay. The unions just a few weeks ago withdrew their appeal from a final decision of the trial court denying a permanent injunction. In this instance, the Comptroller General did not render a decisison of the merits because they were being litigated in court.

The unions have recently taken action to upset procurement decisions in instances where a change in union affiliation has not resulted. MSC has exercised two options to extend the operating contract awarded to MTL, mentioned above. The first exercise of the option, two years ago, was protested to the Comptroller General who ruled favorably to MSC in decision B-195550 of December 5, 1980. The second exercise of an option took place in February, 1981 and is the subject of a current protest.

It is clear from the above history that decisions to contract-operate additional MSC ships would almost surely result in further difficulties from inter-union competition for jobs as long as there are competitive maritime unions.

Protection and Indemnity (P&I) Insurance claims are another area of concern in contract operation ships. The cost of P&I claims under contract operation far exceeds the comparable cost of Federal Employment Compensation claims under Government operations. Currently MSC self-insures against P&I claims over a minimum specified in the operation contract. A Defense Audit Service audit of cost estimates for operation of the Columbia class tankers showed the P&I claims over minimum were $333,000 or four ships vice $16,100 in Federal employee compensation for civil service crewmen on the same ships. The P&I insurance premiums paid by the commercial operator to cover the contract minimum are paid by MSC through the per diem operating fee. The data, cited from a fiscal year 1976–1977 review, was based on point-to-point tankers. The increased risk of injury during replenishment operations could result in an even wider span between P&I claims and rigidly controlled Federal Compensation claims.

Senator JEPSEN. This meeting is now adjourned.

[Whereupon, at 4:55 p.m. the committee was recessed subject to the call of the Chair.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

TUESDAY, MARCH 10, 1981

U.S. SENATE,
SUBCOMMITTEE ON MANPOWER AND PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

RESERVE COMPONENT OF SELECTIVE SERVICE MOBILIZATION

The subcommittee met in open session pursuant to notice, at 2 p.m., in room 224, Russell Senate Office Building, Senator Roger W. Jepsen, chairman, presiding.

Present: Senators Jepsen, Cohen, Quayle, Denton, and Nunn.

Staff present: Michael B. Donley, professional staff member; Paul C. Besozzi, minority counsel; Ronald F. Lehman, Anthony J. Principi, George F. Travers, professional staff members; Richard D. Finn, and Ralph O. White, Jr., research assistants; and Jacquie S. O'Grady, staff assistant.

Also present: Jim Dykstra, assistant to Senator Cohen; Bill Furniss and Dennis Malloy, assistants to Senator Quayle; Greg Pallas, assistant to Senator Exon; Jon A. Schreiber and Paul Schreiber, assistants to Senator Denton.

OPENING STATEMENT BY SENATOR ROGER W. JEPSEN, CHAIRMAN

Senator JEPSEN. The Subcommittee on Manpower and Personnel meets today to continue its review of manpower programs and requests for the fiscal year 1981 supplemental and the 1982 authorization. During past hearings we have had the opportunity to focus on the manpower requirements and related problems of each of the services.

In keeping with our view of the importance of the Reserves in the total force concept representatives of the Reserve community were present with their respective active force service chiefs for manpower affairs. I cannot emphasize enough the crucial role the Reserves fulfill in our All-Volunteer Force structure.

While our past hearings have been beneficial in understanding the unique manpower problems of the separate services, today's hearing will focus on our overall ability to respond at mobilization.

I believe that the subcommittee can obtain the clearest picture of our present ability to respond to contingencies by viewing mobilization as a series of snapshots along a time line that stretches from M–Day to M+6 months. Through this exercise the subcommittee intends to learn if the needs of the present and future activated units for certain manpower skills, numbers and equipment can be met with the available assets.

I do not believe that the proponents of the All-Volunteer Force ever envisioned the serious degradations in strength and skills which has occurred in the Active and Reserve components of our military forces. The Selected Reserve strength has declined by well over 100,000 during the past 10 years while the pool of pretrained individual manpower is down over 900,000 in the same period.

Because it is expected to take at least 113 days to process, train, and deliver inductees to combat units, the Reserves will be our only source of trained manpower for almost 4 months. However, at just M+90 days it is anticipated that the Army alone will be 249,000 short of its pretrained manpower requirements. This gap in total numbers becomes even more alarming when combined with our serious shortage of critical skills and adequate equipment.

While it is true that one-third of the Army's combat forces and two-thirds of its combat support are supposed to be provided by the Army Reserve and Army National Guard, it is also true and more important that a significant number of these units are in a low state of combat readiness.

Everyone acknowledges the critical necessity of utilizing the Reserve forces should a mobilization be directed. However, are they available in sufficient numbers and skills? Are we capable of mobilizing them quickly and efficiently to meet any threat? These are the questions among others that must be answered. Corrective action can be taken and supported only when we have a firm grasp of the problem.

We are pleased to welcome back before the subcommittee Mr. Robert Stone, the Acting Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics; Dr. Bernard Rostker, Director of the Selective Service System; Mr. John Brinkerhoff, Acting Deputy Assistant Secretary of Defense for Reserve Affairs; and Mr. Paul Donovan, Director of Mobilization and Deployment Planning. We look forward to hearing your view on all of these areas.

At this time I would yield to Senator Cohen for any opening remarks he may have.

Senator COHEN. I have no remarks, Mr. Chairman.

Senator JEPSEN. Subject to Senator Denton having some remarks when we return, we will now open this hearing for your remarks. Mr. Stone, are you the first spokesman?

Mr. STONE. Yes; I am, Mr. Chairman.

STATEMENT OF ROBERT A. STONE, ACTING ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS

Mr. STONE. Thank you, Mr. Chairman and members of the subcommittee. It is a privilege for me to appear before you today to report on our progress in meeting our mobilization manpower needs. I have a prepared statement for the record and if you have no objections, I will enter that for the record and give a brief summary orally.

Senator **Jepsen**. That would be fine.

[The prepared statement of Mr. Robert A. Stone follows:]

PREPARED STATEMENT OF ROBERT A. STONE, ACTING ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS

INTRODUCTION

Mr. Chairman, Members of the Committee, it is a pleasure for me to appear before you today to report on our progress in meeting our mobilization manpower needs. Accompanying me is Dr. Bernard Rostker, the Director of Selective Service, and Mr. John Brinkerhoff, Acting Deputy Assistant Secretary of Defense (Reserve Affairs). Representatives of the Military Services are also present and available to answer specific questions, if needed.

I will briefly review our progress in mobilization manpower planning. I will then focus more specifically on the status of our Reserve Components, our mobilization manpower requirements and supply, improvements in our capabilities to process and train people in an emergency and initial observations from Exercise "Proud Spirit," a major mobilization exercise conducted last fall. I will use Army manpower information as we did last year. It remains the Military Department with by far the most significant manpower problems. Finally, I will briefly review improvements in Selective Service System capabilities to meet Defense mobilization manpower requirements. I will limit my comments in this regard since Dr. Rostker is present and can provide a more detailed description.

MOBILIZATION MANPOWER PLANNING

The Department of Defense develops its mobilization manpower plans and programs to meet a very demanding scenario. This scenario involves an attack by nations of the Warsaw Pact on NATO forces preceded by relatively little warning. Our plans also assume that the Department, in conjunction with Congress, would take actions to improve the manpower posture upon involvement in a non-NATO contingency. To determine the numbers of individuals who must be trained in peacetime to meet this potential, very demanding threat, the Department calculates the time-phased manpower requirement. We base this planned mobilization schedule of U.S. forces on the number of casualties our analysts tell us we can expect to sustain over the first six months of war. To meet this requirement for pretrained manpower, the Department of Defense uses several categories of manpower. The first category comprises the large number of people who are on active duty and in Selected Reserve units. The Department also needs obligated, pretrained people to fill active and reserve force units to wartime strengths at mobilization and to replace casualties during the early months of war. This pretrained manpower pool consists of members of the Individual Ready Reserve (IRR), the Inactive National Guard (ING), Individual Mobilization Augmentees, the Standby Reserve and retired military personnel.

In addition to people trained in peacetime, the Department would want a large number of inductees as soon as possible after mobilization. After training they would serve as additional replacements and would allow for expansion of the force, if necessary. Even with pre-registration, the first inductees would not be available for assignment to units in combat until after M+113 days because current law requires that both new volunteers and inductees receive 12 weeks training prior to assignment overseas.

WARTIME MANPOWER PROGRAM SYSTEM

The Department of Defense has established a Wartime Manpower Program System (WARMAPS) to provide a common method for computing and approving wartime manpower requirements. This system is used to describe the details of DOD manpower requirements. It also provides a framework to assist in the formulation of plans and programs to meet pretrained manpower objectives and accession requirements during mobilization. WARMAPS has been established within the structure of the Defense planning, programing and budgeting system. Consequently, it provides a mechanism for review and approval of the mobilization manpower requirements of the Military Services within the framework of the annual program review. More important, it standardizes mobilization manpower computations and assumptions across Services. We expect this system to be fully operational this summer for use in military manpower planning and programing. In addition, WARMAPS will be expanded this year to include data on mobilization requirements for civilian workers and will contain limited data on military skills required for mobilization. Heretofore computations of skill shortfalls were done on an "as required" basis.

RESERVE COMPONENTS

The units and individuals in our Reserve Components are an essential part of our national defense capability. The units of the Reserve Forces are needed to augment the active forces during periods of national emergency or war.

The following sections address the Department's progress in improving the supply of mobilization manpower. The most critical problem remains within the Army. For that reason, I have highlighted the status of Army mobilization manpower.

RESERVE COMPONENTS

One-half of the Army's combat power and two-thirds of its support capability are maintained in the Reserve Forces. The Army National Guard has eight combat divisions and 22 combat brigades, and the United States Army Reserve has three combat brigades. In addition to these combat units, between the two components, they have over two-thirds of the Army's combat support and combat service support capability—a ground force of greater magnitude than most of our allies. The Navy Selected Reserve contains approxmately 12 percent of the Navy mobilization manpower assets in 48 Reserve Force aviation squadrons, 45 Naval Reserve Force ships, the naval construction force (Seabee), and additional augmentation units. The Air National Guard and the Air Force Reserve comprise a force of 155,000 drilling reservists, many with more experience and training than active duty personnel, plus, 1900 aircraft in 144 flying squadrons, a force larger than all but four of the world's regular air forces. The Marine Corps Selected Reserve is organized into a Fourth Division/Wing Team, which represents 25 percent of divisions, aircraft wings, and service support forces in the total Marine Corps.

Readiness in the Guard and Reserve units is improving, but there are still problem areas that preclude some Reserve Force units from attaining desired readiness objectives. In addition to equipment, a major impediment to Army Guard and Reserve Force readiness has been the personnel shortage. The strength of the two components has been increasing since fiscal year 1978, and both components met their end-fiscal year 1980 strength objectives. Further increases are programed in fiscal year 1982. We expect the Selected Reserve units of the Army Reserve Components and the Marine Corps Reserve to be able to achieve their wartime structure strength by the end of fiscal year 1986.

SELECTED RESERVE STRENGTH

Overall, the strength of the Ready Reserve, which is composed of the Selected Reserve units and Pretrained Individual Reservists, has had two full years of increasing growth in fiscal year 1979 and fiscal year 1980 after declining precipitiously from fiscal year 1974 through fiscal year 1978. The first three months of fiscal year 1981 continued to show increases in strength.

The following table displays the strength of the Selected Reserve by component for the period fiscal year 1978 through fiscal year 1982.

TABLE 1.—SELECTED RESERVE STRENGTH BY COMPONENT

Component	End fiscal year (in thousands)—				
	Actual			1981 Estimate	1982 Reques
	1978	1979	1980		
Army National Guard	341	346	367	386	398
Army Reserve	186	190	207	217	237
Naval Reserve	83	88	87	87	88
Marine Corps Reserve	33	33	35	37	38
Air National Guard	92	93	96	98	98
Air Force Reserve	54	75	59	61	64
DOD total	789	807	851	886	923

The strengths of all but the Army Guard and Army Reserve are at the desired levels. The strengths of the other components are not supply-constrained. In fact, the strengths of the Air National Guard and Air Force Selected Reserve were at an all-time high as of the end of fiscal year 1980. However, shortages still exist in selected skills.

SELECTED RESERVE STRENGTH INITIATIVES

From the end of the draft and the beginning of the All Volunteer Force in fiscal year 1974 through the end of fiscal year 1978, the Reserve Components experienced a significant decline in strength, particularly in the Army National Guard and Army Reserve. Since fiscal year 1979, the Department has had an aggressive program to build strength in the Selected Reserve. This section will concentrate on the initiatives that have been successful in rebuilding that strength.

In fiscal year 1979, Congress authorized and funded an incentive program for enlistment and reenlistment in the Selected Reserve. This program has been increased every year since then. The actual cost of this program was $12.8 million in fiscal year 1979 and $23.5 million in fiscal year 1980. We expect to spend $73.1 million in fiscal year 1981, and are requesting a total of $90.8 million for these incentives for fiscal year 1982. The authorized incentives now include an enlistment bonus, educational assistance program, reenlistment bonus, affiliation bonus and a student loan forgiveness program.

In addition to this successful incentive program, we are now offering shorter enlistment terms in the Selected Reserve to individuals without prior military service. Those joining the Army Selected Reserve may do so for a 3-year term with a balance of three years to be served in the IRR. The other Services have been authorized to enlist individuals in the Selected Reserve for four years with a balance of two years in the IRR. In the past, a full six years in the Selected Reserve was required of all enlistees.

In order to make Reserve service available to more people, there is now a split training option in the Army and Marine Corps which allows a student to participate in the Selected Reserve without interfering with normal school schedules. He undergoes the usual 12-week initial active duty training period in two increments. This way both high school students and college students can enlist and train in consecutive summers when not attending classes.

During fiscal year 1979, recruiting for the Army Reserve became the responsibility of the U.S. Army Recruiting Command. The Army Reserve was the last of the components to make use of a full-time, professional recruiting force. The recruiting and advertising program for the Reserves has been enhanced and a joint advertising program is now underway.

The mission of the National Committee for Employer Support of the Guard and Reserve has been expanded. The Committee now is involved in obtaining broad public support for our Guard and Reserve programs as well as the support of the employers of the members of the Reserve Components.

The loss of members prior to the completion of the contractually obligated terms has been the major cause of strength shortages in the past. In order to combat this, a program for the control of attrition has been implemented. This program encompasses: establishment of loss reduction goals; an accession cohort tracking system for better management; revision of out-moded regulations; research into the causes of attrition so that better retention programs can be designed; improvement of financial incentives; improvement of training and leadership; and new sanctions to assure contract completion.

PRETRAINED INDIVIDUAL MANPOWER

One of our most serious concerns is that we have enough fillers and replacements available during the early days of a full mobilization. This demand can only be met by pretrained manpower—that is, Pretrained Individual Reservists (IRR, ING, Individual Mobilization Augmentees), Standby Reservists, and retired military personnel.

Table 2 displays the strength of the Individual Ready Reserve (IRR) and the Inactive National Guard (ING) by Service for the period fiscal year 1978 through fiscal year 1982.

TABLE 2.—IRR/ING STRENGTH BY SERVICE

Service	End fiscal year (in thousands)—				
	Actual			Estimated	
	1978	1979	1980	1981	1982
Army	177	206	212	261	319
Navy	93	86	97	115	125
Marine Corps	40	59	56	65	67
Air Force	46	44	46	59	70
DOD total	356	395	411	500	581

Initiatives to improve Pretrained Individual Reserve strength have resulted in an increase of about 75,000 individuals in all Services since its low point in mid-1978. These initiatives, which were primarily no-cost legal or policy changes, included stopping automatic transfers to the Standby Reserve, improving personnel management, streamlining administrative transfer procedures between the active force and the IRR, and transferring individuals with mobilization potential to the IRR in lieu of discharging them from the active force with no reserve obligation. Other initiatives already implemented which will increase the size of the IRR in future years include giving women and enlistees 26 years of age and older the six-year service obligation and starting an enlistee's six-year obligation from the time he/she enters on active duty instead of from the time he/she signs an enlistment contract.

We believe that we have exhausted the no-cost initiatives that could increase pretrained strength. Without specific actions to retain people in the IRR beyond their initial obligation or provide another method of entry into it, IRR strength would remain relatively constant.

Programs to alter this status quo require money. We are pleased that the 96th Congress authorized and appropriated funds for an IRR reenlistment bonus for fiscal year 1981. All of the Services have begun offering this bonus which pays $600 to individuals who reenlist in the IRR for three years. We know that in the past, without the bonus, almost all IRR members left upon completion of their obligation. Obviously, the bonus does provide an economic incentive to continue in the IRR. We are asking for about $14 million in fiscal year 1982 for this bonus which we estimate will yield about 34,000 more people in the IRR. I urge the Congress to remove the expiration date of September 30, 1981 from this program at the earliest possible time because of the leadtime necessary to contact and reenlist eligible individuals.

Direct enlistment into the IRR provides an effective way to increase IRR strength by attracting the individual who does not desire to serve on active duty or in a Selected Reserve unit. In addition, direct enlistment can be offered in the skills that are most needed in the IRR upon mobilization. During fiscal year 1979, the Army conducted a test of this option, the results of which were inconclusive. We are exploring alternatives which include a variable enlistment option that would produce accessions directly for the IRR as well as for active and Selected Reserve service.

To be consistent with our goal to create a more viable pretrained manpower resource, we need to provide the Services with the funds and manpower necessary to manage properly these assets. This management includes records updating and maintenance, screening of key employees; providing physical examinations; establishing dependent entitlements; updating security clearances; and offering training opportunities. Our fiscal year 1982 budget request includes resources to continue initiatives to improve our pool of pretrained manpower such as peacetime preassignment and predesignation of individuals to mobilization positions, providing training opportunities for more IRR members, expanding service programs for the identification of mobilization positions that retirees can fill, maintenance of personnel files on retirees, peacetime assignment of retirees to mobilization positions, and streamlining mobilization procedures for Standby Reservists.

ARMY MOBILIZATION MANPOWER

The following table shows last year's estimates of the Army requirements and supply of trained manpower, as well as current estimates and projections for fiscal year 1986. The shortfall is shown at its peak; about 90 days after a decision to mobilize for a major war in Europe that starts with little warning. At this time volunteers and inductees who entered the Armed Forces after M-Day will still be at the training bases.

TABLE 3.—ARMY REQUIREMENTS AND SUPPLY OF TRAINED MANPOWER FOR MOBILIZATION [1]

	End fiscal year (in thousands)			
	1979	1980	1986	Potential [2]
Requirements	1,720	1,743	1,883	
Manpower available from: [3]				
Active and Reserve units	1,250	1,296	1,383	
IRR/ING/IMA	140	149	264	(326)
Standby Reserves	20	9	5	
Retirees	40	40	120	
Total	1,450	1,494	1,772	(1,834)
Shortfall:				
Number	270	249	111	(49)
Percent of requirement	16	14	6	(3)

[1] Data jointly developed by OSD and the Army.
[2] Numbers in parentheses represent a potential higher yield from improvements in management.
[3] Assumes different rates of availability from each manpower source.

The trend of declining shortfalls is due to three increasing sources of manpower: the Selected Reserve, the Individual Ready Reserve/Inactive National Guard and military retirees. The shortfall is not decreasing at the same rate as the supply is increasing because the requirements are growing. When compared to the fiscal year 1979 estimates, Army requirements have increased 23,000 and 163,000 for fiscal year 1980 and fiscal year 1986 respectively. The most critical part of the aggregate shortfall is in combat skills. We hope that the Army's IRR reenlistment bonus and other initiatives under review will continue to reduce the shortfall.

MOBILIZATION ACCESSION PROCESSING

During the past year, the Department has made significant improvements in its capacity to process volunteers and inductees during an emergency. We have completed and published a mobilization plan for processing new accessions, which is consistent with Selective Service mobilization plans and new capabilities. The Military Enlistment Processing Command (MEPCOM) has developed a new operational plan for mobilization accessions and has established new Joint Augmentation Units. These units will be staffed with military retirees to provide additional physicians, medical technicians, and administrative personnel. As a result, the Department will be able to begin inductee processing within 13 days of a decision to mobilize. The Military Services are in the process of notifying retirees selected for these units. The program will allow us to assign more of our younger military personnel to the more physically demanding jobs with forces overseas.

IMPROVING ARMY TRAINING BASE CAPACITY

Last year the Army completed an in-depth review of its capacity to train inductees and volunteers at mobilization. As a result of the review, resources have been requested in the fiscal year 1982 budget to provide additional weapons, supplies and equipment for mobilization training and to develop mobilization programs of instruction in the initial combat skills. Resources also have been requested to procure additional war reserve stocks of uniforms and other personal equipment that will be needed to start individual training. While these actions will improve significantly the Army's capability to expand its training, much planning work remains to be done. We will be evaluating additional remedial actions in this regard as a part of our evaluation of Exercise Proud Spirit.

EXERCISE PROUD SPIRIT

Proud Spirit was a JCS-sponsored command post exercise designed and conducted as a follow-on exercise to the October 1978 exercise, Nifty Nugget. It centered on the mobilization process and the initiation of deployments from the

Continental United States (CONUS) under the threat of imminent hostilities; the exercise did not include any simulated warfighting. There was wide DOD participation in the exercise, including the Joint Staff, the Military Services, and the Defense agencies. Proud spirit was conducted in conjunction with the Federal Emergency Management Agency's mobilization exercise, Rex Bravo, which included wide participation by other Federal agencies. The broad objectives of Proud Spirit were to:

Determine the adequacy of existing mobilization plans, systems, and procedures;

Identify limitations and shortfalls in manpower and logistics procedures to support mobilization and initial deployment;

Exercise and evaluate reserve mobilization procedures;

Exercise mobilization interrelationships both within DOD and between DOD and other Federal agencies; and

Assess the effectiveness of deployment planning.

Our evaluation of the exercise will be completed later this year. However, initial assessments have shown that Proud Spirit verified the validity of many of the remedial actions undertaken as a result of the Nifty Nugget mobilization exercise, and it highlighted some additional areas in which improvements are needed.

During the exercise we noted that our knowledge of mobilization responsibilities, tasks, and procedures has greatly improved. This enabled us not only to overcome problems as they occurred, but also to examine better the complex mobilization process and to identify other potential problems. The exercise also highlighted the improved cooperation and support that DOD is getting from the civil sector and other Federal agencies while revealing some significant shortfalls.

Although we have increased our supply of trained manpower, we are still not satisfied with the numbers and the mix of skills of those personnel who can be mobilized quickly; this is especially true of health professionals. We also found in Proud Spirit that we may need new legislation to improve current manpower authorities. In addition, the exercise demonstrated improvements in the ability of the Selective Service System to deliver inductees and in DOD's ability to accept them.

We are continuing our evaluation efforts in these areas and others as well, and we are developing remedial actions to correct specific deficiencies noted during Proud Spirit. Later this year we will complete classified and unclassified reports of the exercise.

SELECTIVE SERVICE SYSTEM

Last year it became clear that the Selective Service System could not meet Defense mobilization requirements for inductees. It couldn't deliver 100,000 inductees by two months after mobilization (M+60 days). Selective Service has now registered young men born in 1960 and 1961—over 3¼ million individuals—and is now processing the registration cards of young men born in 1962. It is also registering on a continuing basis young men as they reach their 18th birthday. In addition, the Selective Service System is engaged in a number of other activities to improve its readiness, including the integration of its computer system with the Military Enlistment Processing Command's computer system, so that the induction of individuals can begin smoothy should the need arise. With these improvements the Selective Service can provide 100,000 inductees by about M+30 days. This accelerated schedule will enable us to meet a larger part of our total wartime manpower requirement with inductees and reduces the need for an even larger pool of pretrained individuals. The Selective Service System's capability to meet the accelerated schedule was demonstrated last November during Exercise Proud Spirit/Rex-80 Bravo.

THE RESERVE COMPONENTS LEGISLATION PROGRAM FOR 1981

The Department of Defense has a legislative program of ten items pertaining to the National Guard and Reserve Components that are currently being coordinated prior to being submitted to the 97th Congress during 1981 as part of the legislative program of the Administration. Additional items under consideration for inclusion in the program are in various stages of coordination. The following is a brief explanation of the items that will be most important in our view.

1. *DOD 97-46* would permit the promotion on active duty of Army Reserve Component commissioned officers who are selected for permanent promotion

in their Reserve grades while serving on active duty. Under existing law, an Army Reserve Component officer on active duty (other than for training) who is promoted may not serve in that higher grade while on active duty. The other Services are not affected by such a restriction.

2. *DOD 97–47* would give the Army and Air Force the authority to appoint physicians with at least four years of experience as Reserve officers in the initial pay grade of 0–3. Enactment of this item would help alleviate the physician shortage in the Ready Reserve.

3. *DOD 97–49* would permit the appointment of non-citizen medical and dental officers in the National Guard. Current regulations allow the appointment of certain, fully qualified, non-citizen physicians and dentists to Reserve Commissions in the Army, Navy and Air Force. This item would allow the National Guard to do the same and would improve the ability of the National Guard to obtain physicians and dentists.

4. *DOD 97–55* would authorize the Secretaries of the Army and Air Force, with the approval of the Secretary of Defense, to prescribe such regulations governing National Guard technicians in the performance of their technician duties as the Secretaries concerned may determine to be necessary for the discipline, morale, combat readiness or efficiency of the National Guard.

5. *DOD 97–59* would eliminate the requirement that thirty days notice of termination be given a National Guard technician who serves under temporary appointment, or who voluntarily ceases to be a National Guard member.

6. *DOD 97–60* allows a 270-day delay (vice 180) between the time a Reservist is recruited and the time he reports for initial active duty for training (IADT). It also allows individuals to receive credit for equivalent training as part of the required 12 weeks of IADT.

7. *DOD 97–68* would provide flexibility in the manner of fulfilling the Military Service obligation incurred by members of the Armed Forces Health Professions Scholarship Program by introducing the alternative of Reserve obligation as a means of fulfilling part or all of the obligation incurred by program participants.

8. *DOD 97–70* would extend indefinitely the legal authority for three Selected Reserve Recruiting and Retention Incentive Programs. These include the enlistment and reenlistment bonuses and the educational assistance for enlistment.

9. DOD 97–71 would correct an inequity that exists between National Guard technicians and other Federal employees by providing for the payment of any accrued compensatory time to the survivors of a technician upon his death.

10. *DOD 97–72* would provide annual premium pay to National Guard technicians who perform duties related to tactical or strategic missions.

CONCLUSIONS

The Department of Defense has made significant progress in mobilization manpower planning and preparedness during the past year. However, much work remains to be done. We will continue to improve our existing programs over the coming year and, when the results of exercise Proud Spirit are complete, will propose new programs if necessary to correct deficiencies discovered.

MANPOWER PLANNING FOR MOBILIZATION

Mr. Stone. Thank you. I will review our progress in manpower planning for mobilization. I will then focus more specifically on the status of our Reserve components, our mobilization manpower requirements and supply, improvements in our capabilities to process and train people in an emergency and initial observations from exercise Proud Spirit, a major mobilization exercise conducted last fall. I will use Army manpower information as we did last year. It remains the military department with by far the most significant manpower problems. Finally I will briefly review improvements in Selective Service System capabilities to meet defense mobilization manpower requirements. I will limit my comments in this regard since Dr. Rostker is here and he will provide a more detailed description.

The Department of Defense develops its mobilization manpower plans and programs to meet a very demanding scenario.

Senator COHEN. In other words your studies do not include any consideration of what we would require if we had a confrontation in the Persian Gulf, a direct confrontation between the Soviet Union and the U.S. forces? If they come across the Transcaucasius, your study would not pertain to that?

Mr. STONE. That is right. We do calculations on that but the most demanding case is an attack in Central Europe. It is that case which makes our total requirement.

Senator COHEN. But if the members of this subcommittee who also serve on several other subcommittees would take into account what deficiency we find in the Warsaw Pact, we would have to magnify it at least several fold if we had a current confrontation in the Persian Gulf.

Mr. STONE. Probably not because if we had a confrontation in the Persian Gulf, we would use parts of the forces that enter into the calculations we make for Europe.

Senator COHEN. As a matter of fact all of the forces now calculated for the rapid deployment forces are NATO oriented or designated for back-up in the NATO scenario. So if you take those forces and put them in the Persian Gulf, the changes, whatever calculations you come out with here on the central front, it changes those dramatically, does it not?

Mr. STONE. That is correct. In addition to people trained in peacetime, the Department would want a large number of inductees as soon as possible after mobilization. After training they would serve as additional replacements and would allow for expansion of the force if necessary.

Even with preregistration, the first inductees would not be available for assignment to units in combat until after M+113 days because current law requires that both new volunteers and inductees receive 12-weeks training prior to assignment overseas.

In order to make Reserve service available to more people, there is now a split training option in the Army and Marine Corps which allows a student to participate in the Selected Reserve without interfering with normal school schedules. He undergoes the usual 12-week initial active duty training period in two increments. This way both high school students and college students can enlist and train in consecutive summers when not attending classes.

ARMY RESERVE RECRUITING

During fiscal year 1979 recruiting for the Army Reserve became the responsibility of the U.S. Army Recruiting Command. The Army Reserve was the first of the components to make use of a full-time, professional recruiting force. The recruiting and advertising program for the Reserves has been enhanced and a joint advertising program is now underway.

The mission of the National Committee for Employer Support of the Guard and Reserve has been expanded. The committee now is involved in obtaining broad public support for our Guard and Reserve programs as well as the support of the employees of the members of the Reserve components.

The loss of members prior to the completion of the contractually obligated terms has been the major cause of strength shortages in the past. In order to combat this, a program for the control of attrition has been implemented. This program encompasses establishment of loss reduction goals, an accession cohort tracking system for better management, revision of out-moded regulations, research into the causes of attrition so that better retention programs can be designed, improvement of financial incentives, improvement of training and leadership, and new sanctions to assure contract completion.

To be consistent with our goal to create a more viable pretrained manpower resource, we need to provide the services with the funds and manpower necessary to manage properly these assets.

This management includes records updating and maintenance, screening of key employees, providing physical examinations, establishing dependent entitlements, updating security clearances and offering training opportunities. Our fiscal year 1982 budget request includes resources to continue initiatives to improve our pool of pretrained manpower such as a peacetime preassignment and predesignation of individuals to mobilization positions, providing training opportunities for more IRR members, expanding service programs for the identification of mobilization positions that retirees can fill, maintenance of personnel files on retirees, peacetime assignment of retirees to mobilization positions and streamlining mobilization procedures for Standby Reservists.

Mr. Chairman, this completes my summary of my statement. Now, with your permission, I would like Mr. Paul Donovan to use the charts that you have in front of you to explain our calculations on trained manpower supply and requirements.

Senator JEPSEN. That is fine. Before we proceed any further, Senator Denton, did you have any opening statement or anything you would like to add?

Senator DENTON. No, Mr. Chairman.

Senator NUNN. I have nothing, Mr. Chairman.

Senator JEPSEN. You may proceed.

STATEMENT OF PAUL DONOVAN, DIRECTOR OF MOBILIZATION SECRETARY OF DEFENSE (MANPOWER, RESERVE AFFAIRS AND DEPLOYMENT PLANNING, OFFICE OF THE ASSISTANT AND LOGISTICS), WASHINGTON, D.C.

Mr. DONOVAN. I too am pleased and privileged to be here before the committee today. As Mr. Stone has said my purpose is to explain how DOD calculates how many people it will need in time of mobilization and how each source of manpower is used to meet that need.

I will use Army data to explain the process. The Army is the Service with the largest manpower problem, but all services are given the same assumptions to use in making their computations. Those major manpower assumptions are:

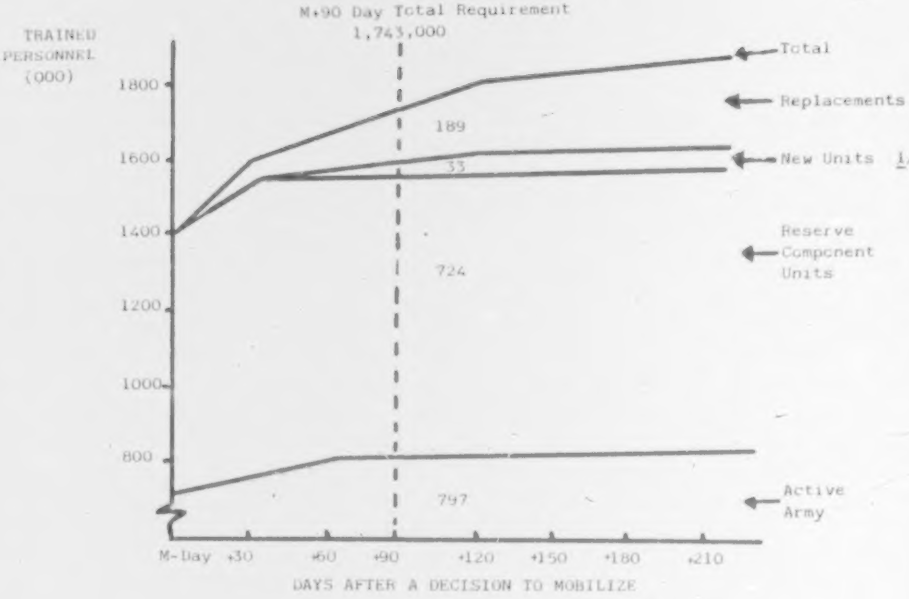
First, that Warsaw Pact forces attack NATO forces with very little warning. Although mobilization actions are begun before the outbreak of the fighting, the leadtime is a matter of days, not weeks or months.

Second, that a decision is made to begin reinforcement of NATO at the same time the decision is made to mobilize.

At this point I would like you to refer to the two charts that were given to you at the beginning of the hearing. The first chart is titled "Army Requirements for Trained Military Manpower." Please note that the data used are those pertaining to the end of last fiscal year, that is last September.

ARMY REQUIREMENTS FOR TRAINED MILITARY MANPOWER

(FY 80)



1/ Units the Army plans to form after M-Day.

The first components of manpower needed are those to fill units of the Active and the Reserve components in time of war. Accordingly, some units must be increased in manpower because in peacetime they do not need to be manned at wartime levels. Other peacetime units are not needed in wartime; these are subtracted. After 90 days of mobilization, shown by the dotted line on this chart, the Active Army will need 797,000 trained soldiers and the units of the Selected Reserve an additional 724,000 trained soldiers.

In addition, the Army plans to form some new units after mobilization. By M+90 days, 33,000 additional trained soldiers will be needed for units in this category; units such as truck companies and engineer and administrative detachments. Equipment for these units is either in Army stocks now or it can be procured commercially from vendor stocks.

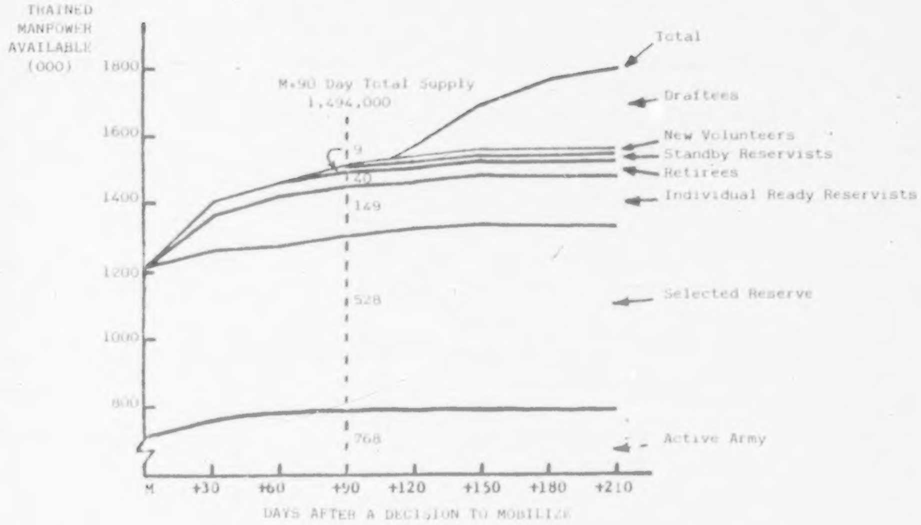
The last category of manpower need is for replacements of combat and noncombat casualties. By M+90 days 189,000 soldiers, already trained, will be needed in units and the replacement pipeline.

These needs at M+90 days total 1,743,000, a precise figure, but an estimate nonetheless and very dependent on the two assumptions I mentioned at the outset.

I chose M+90 days as a point to talk about the Army's manpower needs because it is the most critical point in terms of supply of manpower as we will see on the next chart titled "Army Trained Manpower Supply."

ARMY TRAINED MANPOWER SUPPLY

(FY 80)



As in the case of computation of requirements, the services are given assumptions on which to base their estimates of manpower availability. These assumptions include: All Ready Reserve and Standby Reserve members will be called to active duty on M–Day; leaves will be canceled and training, except for initial entry training, will be curtailed; Congress will authorize the extension of terms of service of all obligated personnel; retirees will be recalled; those who have enlisted but have not yet begun training will be called to active duty to begin training, except for those who have not completed high school; and Congress will authorize and the President will direct the conscription of young men in accordance with the provisions of the Military Selective Service Act.

Based on these assumptions the Army has computed the availability of trained manpower for meeting the needs presented on the previous chart. As before, I have shown the data for M+90 days.

By M+90 almost all active personnel will be trained and available to meet the Army's needs. For each category of Reserve component manpower we assume some fraction of the people will not be able to report when called. We intend that this inability to report not be a matter of choice. As is the case of temporary physical incapacities, for example, we must estimate that not all reservists will be available. Thus in our worst case planning we degrade those sources of manpower.

You will note that volunteers after M–Day and draftees are not available as trained manpower at M+90 days. Both require 12 weeks of training by law. We expect some volunteers immediately and for that flow to continue during mobilization.

We expect the Selective Service System to deliver the first inductees at M+13 days. They will begin to be available to the force as trained soldiers at M+113 days. By M+90 days the Army estimates that 1,494,000 soldiers will be trained and assigned to units. If we compare this chart with the previous one, we will see that the estimated shortfall at M+90 days is 249,000 or about 14 percent of the estimated requirement.

This completes my presentation. I will be happy to answer any questions you might have.

Senator **Jepsen**. Thank you. Mr. Rostker do you have any remarks?

Mr. **Rostker**. Mr. Chairman, I have a statement I would like to read.

Senator **Jepsen**. You may read your statement.

STATEMENT OF DR. BERNARD ROSTKER, DIRECTOR OF SELECTIVE SERVICE

Mr. Chairman, members of the committee, I am pleased to appear here today to discuss the Selective Service System's role in our Nation's defense mobilization capability.

Just over a year ago, I appeared before you at my confirmation hearing and promised to move the Selective Service from its "deep standby" posture and build a system which could meet the wartime manpower requirements of the Department of Defense. I am happy, to report that we have accomplished that goal.

Since the resumption of the registration last summer, the System, in conjunction with the U.S. Postal Service, has registered almost 5.5 million young men. This figure represents a compliance rate of 95 percent for last summer's registration of men born in 1960 and 1961 and a compliance rate of 87 percent for the January registration of young men born in 1962. These figures have and will continue to grow over time as late registrations are received.

As a result of widespread skepticism concerning the results of the registration, fostered by the publication of incomplete and erroneous surveys of Post Offices and statements by antiregistration groups, Selective Service asked the General Accounting Office (GAO) to audit the results of the 1980 registration. On December 19, 1980, GAO released its evaluation attesting to the validity of the figures and to the thoroughness and effectiveness of the registration program.

The registration, together with improvements in ADP technology and the enhancement of Selective Service planning has given the System the capability to reinstitute inductions rapidly. In the event of an emergency the Selective Service System would begin transition from its new standby posture to an active operational organization.

Operating under the emergency military manpower procurement system [EMMPS], a lottery will be conducted to assign random sequence numbers [RSN] and an "order of call" would be established. The Director of Selective Service, acting for the President, would administratively assign 1–A (available for induction) classifications to registrants. Using the Selective Service master registration file, which will be assembled and maintained in RSN order, induction orders would be transmitted as Western Union mailgrams. The mailgrams would contain the following information: identification of the inductee; orders to report to a designated Armed Forces Entrance and Examining Station (AFEES) at a specific date and time; information on procedures to follow if unable to comply with the induction order; the address of the inductee's local board/area office to which claims should be sent.

Concurrently Selective Service Reserve officers would open 434 area offices at predesignated recruiting office locations and establish 95 district appeal board offices. Fifteen hundred pretrained personnel would transfer from the Armed Forces recruiting commands to Selective Service to assist the officers assigned to the System's reserve force. These offices will handle administrative claims and support the local boards who decide the judgmental claims for deferment or reclassification. Selective Service Reserve officers would also reestablish the State headquarters to provide liaison with the Governor and will perform an inspector general [IG] function for the Director of Selective Service. The IG function would include the examination and appraisal of the systems, procedures, and records of the local boards in a State and would involve the inspection of registrant files and records for compliance with correct classification procedures.

The regional offices provide administrative and logistical support to the State headquarters, district appeal board offices, and area offices and supervise area office operations. In addition the regional offices will be responsible for providing a Selective Service liaison officer to each of the AFEES in the region.

Under EMMPS, after a registrant has received an order to report for induction he may either report as ordered or apply for a postponement, deferment or exemption. The requests for deferment or exemption would be routinely received at the area offices where the compensated employees handle the administrative classification action. The local boards and appeal boards would adjudicate registrant claims for judgmental classifications such as conscientious objector, hardship, clergy and ministerial students.

These plans and procedures were tested in November 1980, when Selective Service, as part of the 1980 mobilization exercise Proud Spirit demonstrated its ability to mobilize the Nation's manpower. The Organization of the Joint Chiefs of Staff at their First Impressions Conference for Proud Spirit reported that:

> Selective Service objectives in REX 80 BRAVO/PROUD SPIRIT 80 were to exercise and evaluate Selective Service induction procedures, field reconstitution and mobilization interfaces with DOD, FEMA and other civil agencies.
>
> Selective Service successfully exercised its emergency induction procedures by performing, in real time, required induction functions. This included conducting a lottery, developing induction legislation, running the computerized induction programs, producing induction orders, transmitting induction orders via Western Union Mailgram to the home addresses of 700 Selective Service reservists who acted as registrants, transmitting computerized induction data to and from MEPCOM, and testing the new Selective Service induction order.
>
> Selective Service field reconstitution was also successfully exercised. * * * With the present registrant data base on hand the Selective Service computer can start issuing induction orders from a cold start, but the standby field structure must be reconstituted to handle claims. The reconstitution portion of the exercise involved the simulation of physically reestablishing the 55 Selective Service State Headquarters, 434 Area Offices, and performing Armed Forces Entrance and Examining Station (AFEES) liaison functions. Selective Service reservists performed this activity during their annual two week training period.
>
> Exercise results indicate Selective Service successfully achieved its exercise objectives. Most important, Selective Service demonstrated that Selective Service can provide DOD the required manpower under the most demanding DOD requirements.

The mission of the Selective Service, however, is twofold. Not only is the System dedicated to the goal of providing the untrained manpower needed to augment the AVF should it be needed, but we are committed to protecting individual rights through a fully developed system of due process. The activities we have been involved in during this past year have allowed us to fully meet our first goal, the activities we are currently performing will enable us to meet our second goal. The Selective Service is presently working to complete the administrative system to insure that every individual has access to a speedy, fair and impartial hearing on application for deferment, exemption or postponement.

The revitalization of the System will include the recruitment and training of standby local and appeal board members, the development of the management and ADP system to control the claims/adjudication systems, and the development of an alternative service program to complement the induction program.

SELECTION AND TRAINING OF LOCAL AND APPEAL BOARD MEMBERS

Selective Service cannot insure the fairness of the System without a well developed local and appeal board structure. The boards are composed of citizen volunteers representative of the racial and national origin characteristics of their geographic area. These are the people who make the important judgments relating to an individual's claim for deferment or exemption from the draft. The fairness of the System will be judged by the quality of the boards and by the manner in which they adjudicate claims. For Selective Service to earn the support of the American public, the board members must be perceived to be honest, reasonable people, and trusted to make important decisions affecting the young men from their own counties. In order to insure that the boards understand Selective Service law, policies and procedures, we are for the first time in the history of the System undertaking a comprehensive program of training for the board members. Approximately 10,000 citizens will be recruited, selected and trained as board members who in an emergency would reestablish our local draft boards.

With the support of Gov. Harry Hughes the selection process has begun in the State of Maryland. Over 750 information letters on the selection process have been sent to community organizations, public officeholders and representatives of the media in an effort to seek widespread participation in the program. The program will begin in other parts of the country in May.

Applications received from potential board members will be screened by Selective Service personnel to assure that the applicants meet the qualifications stipulated by law.

The guidelines for the selection program are: it must be open to public participation; it must have a strong affirmative action plan to assure adequate representation of minority groups; it must recruit individuals respected by their communities; and it must consistently produce capable board members who meet the statutory requirements. Selective Service recommendations will then be forwarded to the Governor who will nominate individuals to serve on the standby boards. Once the standby board members are selected, training conferences will be held throughout the country. The importance of properly training board members cannot be overemphasized. Registrants have specific rights and each board member has specific responsibilities to both the registrants and the Selective Service

System. Board members are required to adjudicate claims by registrants and must be able to examine, document and, in some cases, take statements. They must also make a determination on the facts and apply such facts to the law and regulations and make their decisions based upon those same facts, law and regulations. It is expected that all the training conferences will have been conducted by early 1982. The primary emphasis then will be toward followup training and selection to replace members lost through attrition.

ALTERNATIVE SERVICE

Following a long tradition the Military Selective Service Act recognizes that there are individuals whose religious or moral beliefs prohibit them from participating in any type of warfare. Thus conscientious objectors are exempted from military service but must, in lieu of induction, fulfill their citizen obligation by performing "such civilian work contributing to the maintenance of the national health, safety or interest as the Director may deem appropriate." The Director of Selective Service is specifically charged with the responsibility "for the placement of such persons—conscientious objectors—in appropriate civilian work."

Until 1970 conscientious objection was limited to persons who, by reason of religious training and belief, were conscientiously opposed to participation in war in any form. The *Seeger* and *Welsh* decisions of 1965 and 1970 opened up the conscientious objector classification to persons whose opposition to war was based on deeply held moral and ethical values. A religious foundation was not necessary. This decision combined with an unpopular war led to a surge in registrants classified as conscientious objectors from a yearly average of 11,000 in the sixties to 49,000 in 1971.

In order to make contingency plans for alternative service in the event of a full-scale mobilization, an alternative service unit was created in national headquarters. This unit has published an alternative service concept paper which describes how, in case of full-scale mobilization, Selective Service might work with the Federal Emergency Management Agency (FEMA), the Department of Labor and other agencies.

Under the draft concept there are three primary program components:

1. The alternative service program must identify areas of crucial civilian manpower shortages and set placement priorities.
2. Within the priority areas the alternative service program would identify specific job openings.
3. The alternative service program should be able to determine the aptitudes and abilities of participating conscientious objectors and match them with jobs contributing to the national health, safety or interest.

The consent paper was published for comment in the Federal Register on January 22. Comments are to be received by March 31. At that time they will be reviewed and appropriate revisions will be made in the planning concept.

We will be happy to share with the committee the nature of the individual responses received and the Selective Service's rationale for accepting or rejecting the various comments.

DATA PROCESSING

In deciding how best to manage the revitalized System, Selective Service must make sure that any new ADP system facilitates the entire registration to induction process. Responsibility for this process is shared by the Selective Service and DOD's Military Enlistment Processing Command [Mepcom].

House Joint Resolution 521 and the fiscal year 1981 budget approved by Congress contained funds for the development of a joint computer center to support both Mepcom and Selective Service. The center will become operational in late 1981 and will follow the policy agreed to by the Director of Selective Service and the Secretary of Defense:

> The Department of Defense should not in any way be involved in the process by which the Selective Service System adjudicates claims for deferment or exemption. And procedures and safeguards will be developed to insure that the Department of Defense will not have access to any of the data files of the Selective Service System.

Priority revitalization activities involving ADP in fiscal year 1980 and fiscal year 1981 were the development of programs for managing the registration to induction process and the establishment of the joint computer center. Completion of the revitalization program will be accomplished in fiscal year 1982. It is the only program increase that has been requested.

The central question for the Selective Service is, of course, "Who shall serve when not all serve?" We feel that with the effective implementation of this revitalization program that selection would be made in as fair and equitable manner as possible.

Mr. Chairman, that concludes my statement. I would like to take this opportunity, however, to express my appreciation for the support of this committee in particular and of the Congress in general which has enabled the Selective Service to reach the level of readiness that it has today.

Senator COHEN. I have one question. I noticed an article which appeared in U.S. News & World Report that has the following quote. It says:

> Everyone will be mobilized and all boys old enough to carry a spear will be sent to Addis Ababa. Married men will take their wives to carry food and cook and those without wives will take any woman without a husband and women with small babies need not go.
>
> And the blind and those who cannot walk for any reason and cannot carry a spear are excused. Anyone not found serving after receipt of this order will be hanged.

Did you subscribe to that particular order?

Dr. ROSTKER. That is the famous draft order from Emperor Haile Selassie in 1939 and I think our situation is substantially different today.

Senator COHEN. I wonder how that quote happened to be included in your article.

Dr. ROSTKER. It really does illustrate a point and the point is that through preparedness and having a well-defined Selective Service System one is able to avoid such drastic draft orders.

Senator COHEN. I gather it was in U.S. Executive and not U.S. News & World Report. I looked at your statement and you indicated you have had tremendous results from your registration effort with about 5-percent noncompliance. What exactly are you going to be doing to search out those?

I agree it is no victimless crime. They ought to be located and hunted down—if not hanged according to Emperor Selassie—at least and prosecuted. What are you doing with respect to the 5 percent?

Dr. **Rostker**. I believe the 5 percent is a small number and the history of the agency demonstrates that is a number that will decrease over time. We register approximately 87 percent of the eligible population on time and today that number has reached 97 percent.

Senator **Cohen**. I agree with the numbers but you indicated in that particular article that you think that this is not a victimless crime or trivial act and those who knowingly fail to register are in effect saying to their friends and classmates, "If it becomes necessary to defend the United States, you go for me. I do not want to take my fair chance with a system like this." What do you do about the 5 percent?

Dr. **Rostker**. On the 15th of January, in compliance with a request by the Senate Appropriations Committee, I wrote Senator Hatfield exploring this issue in detail. I would ask that this letter be placed in the record.

[The information follows:]

Selective Service System,
Washington, D.C., January 15, 1981.

Hon. Mark Hatfield,
Chairman, Senate Appropriations Committee,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: The Senate Appropriations Committee in Senate Report No. 96–926 has requested that Selective Service report on its plan to locate and prosecute the non-registrants from the 1980 draft registration and the status of those who registered after the prescribed two week period.

RESULTS OF THE 1980 NATIONAL REGISTRATION

At this time, based upon the results of the 1980 National Registration, the magnitude of the compliance problem is small. As of December 31, 1980, Selective Service has received 3,682,755 registrations out of an estimated eligible population of 3.88 million or 95 percent compliance. (The accuracy of the Selected Service data processing and reporting system was attested to in GAO Report "Evaluation of the Recent Draft Registration (FPCD–81–30), which is attached). We expect the percentage of compliance to increase as we continue to receive late registrations. We also expect that the percentage compliance will increase in future registration periods as the process become more regular and the high level of compliance becomes known.

THE OBJECTIVE OF A COMPLIANCE PROGRAM

A knowing failure to register by those required to do so is a criminal offense punishable by a fine of up to $10,000, or imprisonment for up to two years, or both. This criminal penalty and the response of those subject to the Military Selective Service Act to meet their legal responsibilities has resulted in the high level of compliance with the registration requirements. However, the failure of some to register is a serious offense and it places an undue burden upon those who do register as the law requires. Failure to enforce the law will surely result in reduced levels of future compliance and will erode the effectiveness of the military manpower mobilization system. As a result Selective Service has been working on both an active and passive compliance program.

The objective of our compliance efforts is to encourage registration. This is best served by an aggressive program of identification of non-registrants. If an effective identification system is developed, few actual prosecutions should be necessary since in the vast majority of cases the mere loss of a sense of anonymity will convince individuals to register. The key to the compliance program is identification.

ACTIVE COMPLIANCE PROGRAM

Past compliance programs hold few lessons for today. During the active draft period young men registered at thousands of local draft boards with large staffs which had access to local sources of information. Because of the standby nature of the Selective Service System, the current registrations are centrally run programs with limited staff and resources.

The most efficient and effective program for identification of non-registrants would involve a comparison between a list of registrants with a list or lists of those who would appear to be subject to the legal requirement to register. Non-Federal sources of data-such as commerical lists of files maintained by individual States—have been used in the past, but would not in my judgment provide for equitable enforcement of the law. The most comprehensive list of potential registrants is the Social Security file. All other potential sources would systematically exclude some segment of the potential registrant population. For example, if we used driver's license registrations and a given State would not or could not provide the needed data, then our compliance program would be reduced in that State. Further, the Selective Service System is a Federal program and we should not have to rely on, or burden, individual States or private companies to enforce a Federal statute.

The Federal compliance program should be based upon:

(1) Selective Service registrants providing their Social Security Account Number at time of registration or though the Confirmation Letter process.

(2) Matching of social security records and Selective Service registration records by year of birth for the purpose of identifying those who apparently violated the Military Selective Service Act.

(3) Obtaining current addresses for suspected non-registrants from the Internal Revenue Service. (This is currently authorized by the U.S. Code which, in 26 USC and 6103 (i)(2), explicitly states that a taxpayer's name and address are not treated as taxpayer return information when an agency head requests them for use in an administrative or judicial proceeding.)

The U.S. District Court for the District of Columbia ruled on November 24, 1980 that the Selective Service System was not entitled to require registrants to provide Social Security Account Numbers because of the Privacy Act of 1974. If sustained, this ruling would seriously compromise a program to identify those who have violated the Military Selective Service Act. Judge Gesell noted, "The Court is well aware of the impact of this decision. There is an obvious need for verification of identity by Social Security number in this instance." Although this ruling is being appealed, it is illustrative of the difficulties the Selective Service System will face in the implementation of a compliance program. In order to equitably and expeditiously enforce the statute and to avoid continuing litigation under the Privacy Act, the Congress may want to consider providing the Selective Service System with the explicit authority to require registrants to provide Social Security numbers and allowing a match of Social Security and Selective Service records and access to current address information from the Internal Revenue Service for the purpose of full program implementation.

In considering the ongoing litigation and the possibility of an explicit grant of authority, the Congress should note that a failure to register is not a victimless crime. In the event of a war, the registration pool is reduced, on a one-to-one basis by those who did not register. This in turn directly increases the probability that a registrant, one who obeyed the law, would be drafted. In fact, if we return to conscription, there are young men by name who would be drafted only because other men failed to register.

In part, because of the ongoing litigation, the cost of an active enforcement program was not included in the fiscal year 1982 budget submitted to Congress on January 15, 1981. The cost of a program outlined above is estimated to be:

	Fiscal year—	
	1981	1982
Staff	7	7
Cost	$1,070,000	$430,000

PASSIVE COMPLIANCE PROGRAM

From time to time the Selective Service System receives unsolicited reports on possible violators of the Military Selective Service Act. The Selective Service System will verify whether a possible violator has registered. If we cannot verify a registration, the original report, together with a confirmation of nonregistration will be forwarded to the Department of Justice. We will maintain an open file until notified of disposition of the cases by the Attorney General.

STATUS OF LATE REGISTRANTS

The Selective Service System continues to receive and accept late registrations. We presume that pursuant to Presidential Proclamation 4771 of July 2, 1980, Section 1-109, those persons who have registered late have done so "for some condition beyond their control." As such the Department of Justice does not intend to take legal action.

Sincerely,

BERNARD ROSTKER, *Director*.

Dr. ROSTKER. The fundamental problem that faces us today, as it faced Curtis Tarr in the seventies, is that we do not have a central data bank in which we can compare our registrations. We do receive a number of reports from third parties of possible nonregistrants and we check those reports out.

If in fact we find an individual did not register, his name will be forwarded to the Justice Department. But in the larger sense, in terms of aggressive programs, we find ourselves somewhat frustrated by the limitations placed upon us in terms of the use of social security numbers and the Privacy Act.

You may be aware that in district court recently we were enjoined from collecting social security numbers on our registration form. The court of appeals stayed the district court's decision. This matter is under appeal. We are now allowed to request the number subject to the appeal.

The failure to register is a felony as set out by the Congress. Every Director that I know has found that his ability to in fact track down offenders is seriously limited without certain information which may not be available to us.

In the final analysis I think it must come back to Congress to determine whether or not an exception will be made for Selective Service to have access to social security numbers for the enforcement of the Military Selective Service Act.

PROSECUTING THOSE WHO FAIL TO REGISTER

Senator COHEN. I take it by your answer that very little has been done or can be done under the present circumstances to locate and prosecute those individuals who fail to register?

Dr. ROSTKER. We have performed to the maximum extent possible under the existing Military Selective Service Act. We collected the social security numbers for several purposes, including enforcement. We were sued and we were enjoined from seeking these numbers in the district court. This matter is currently under appeal. If the district court ruling holds up, it will jeopardize our ability to track down the people you are talking about.

Let me say, personally I do continue to regard nonregistration as a serious crime. It is not a victimless crime. There is no question that a person who fails to register reduces the size of the draft pool and someone else will go in his stead. But I can only prosecute the case to the extent that I am limited by statute.

Senator COHEN. How many prosecutions have taken place to date?

Dr. ROSTKER. To date we have published in the Federal Register a system of records to be used to forward the reports of nonregistrants that we have received. These names will be forwarded to the Department of Justice for prosecution, but there have been no prosecutions to date.

Senator JEPSEN. Who sued and who enjoined you?

Dr. ROSTKER. The American Civil Liberties Union.

Senator JEPSEN. Are they the only ones?

Dr. ROSTKER. They brought it as a class action suit. The initial suit was filed before the summer registration and a temporary injunction was not granted. Subsequently Judge Gesell came down with his local district court ruling which enjoined us. We took the case to the appeals court and that court stayed Judge Gesell's ruling. It is before the appeals court now.

That would allow us to have access to the social security numbers and would be the first step in following through. But there are still serious questions under the Privacy Act. OMB had advised us that we would have certain rights to that information under the Privacy Act but there is no question that that will be litigated and the process will be long and drawn out.

I come back to the fact that we have working here two different congressional statutes and at some point we may have to come to the Congress and ask for a clarity as to the business to enforce that statute.

Senator COHEN. As I understand it, and I have looked over your statement quickly, you made your calculation by factoring in the number of young men that will reach the age of 18 at a given time and deducting from that the amount of people currently in the service plus those institutionalized, thus coming up with your net figure. Then you match that up with the total number of registrations you have, and you come out with what you assume is the discrepancy or gap; and that is how you compute it.

But, in fact, there is no way of really checking because of the nature in which the registration system is handled. It is not like it used to be where you went down to your local draft board and they compared the high school lists, I suppose, with those who are registering, which results in a pretty good matchup. Now you can go to any local post office and send your name in.

Dr. ROSTKER. If I may, let me read you a statement by Curtis Tarr writing in a recent paper for the National Defense University which covered exactly this same point. He is writing about a time when we had local draft boards and when we did register at the local level.

> The most disturbing silent protest against Selective Service arose from failure to register. Only the young men knew certainly, if he had complied with the law. We had no way to check upon his doing so. At one point I investigated whether it would be possible for us to compare our records with those of social security or Internal Revenue. I was told bluntly that doing this would infringe on the privacy of the individual. I understood this, but I worried about the rights

of the undividual who had to go to war because another did not fulfill his obligation. Only in the small communities, where private matters often are perceived generally, did our boards know if young men registered.

I read this because I think this is indicative of the nature of the problem. It is not a problem that is new to us, to this registration or this type of registration. It is a problem that clearly existed 10 years ago when Curtis Tarr ran this agency.

Senator **Cohen**. Does the Justice Department need more assistance, more personnel, and more appropriations, or is it simply the Privacy Law?

RESTRICTIONS OF PRIVACY LAW

Dr. **Rostker**. It is simply restrictions of the Privacy Law. What we would do is compare a master list of all of those who registered with social security who were born in a given year and compare that with our list of registrants. It would all be done with computers. The individuals whose names are on the social security list but not our list would be suspected violators. These names would be turned over to the Department of Justice.

It is a rather simple process. There was some consideration of using that type of a process for registration. It is expected it would raise very serious legal questions. For example if we had used that as a registration and someone failed to register, we would have to establish the following facts to prove that a person had violated the Military Service Act.

One, he would have registered in the first place; two, that he had not moved between the time he filed his last income tax and the time of a conscription. We strongly felt that was not the kind of system we would like to see in this country in terms of a basic registration program. So we recommended to the Congress last year that we move toward an active system of registration and Congress supported that.

That does not change the fact that the social security number is a key to enforcement programs and access to the addresses as included on tax returns is a useful program.

I may add one other point. There seems to be no problem with securing addresses on income tax forms from the Internal Revenue Service. Once a person is suspected of violating the law, there are routine programs in which IRS today makes that information available.

Senator **Cohen**. I have one other comment. You talk about a concept published in the Federal Register for the comment period. What sort of comments have you been getting from the groups who challenge the registration itself?

Senator **Nunn**. Would you repeat that question?

Senator **Cohen**. In his presentation he talks about alternative service concepts which apparently has been issued or published in the Federal Register during the commentary period and I believe they have received quite considerable volume of comments from certain groups. I am wondering what the nature of those comments would be.

Dr. **Rostker**. As of March 9, we had received comments from 25 sources. Seven of the commenters found that the concept program that was presented was too harsh. Two commenters indicated the program was too soft on conscientious objectors. A larger number, 10, are in general agreement with the concept while 6 commenters accepted the paper without enthusiasm.

The reactions are quite mixed. A professor writing for Pax Christi said he was opposed to the foundation of the concept itself. "We ought to be able to begin with the basic assumption that if this Nation (and Selective Service) is honest and sincere in what purports to be an assurance of equal respect under the law, for men (and possibly later, women) who find it impossible to reconcile their consciences with military service, they should be accorded status and rights equivalent to those enjoyed by men and women inducted into the armed services. Once that principle is accepted, it should follow that preinduction procedures and postinduction procedures as well should be the same as far as Selective Service is concerned. This would mean that Selective Service should be as completely divorced from the alternate service program and its operations as it is from the operation of military services."

Unfortunately, the Military Selective Service Act expressly charges the Director of Selective Service with directing the program. I read this letter as an indication that many of the comments are really not addressed to the concept paper per se but deal with the basic format of the alternative service program as provided by the Congress.

For example a frequently made comment deals with the fact that many people believe that conscientious objectors should be fully free to choose their own employment.

Yet there is an explicit requirement under the Military Selective Service Act that the Director is charged with insuring that the work is in the national health, safety, and interest.

We have not entered into the debate around the concept paper. We are taking comments and on the basis of those comments we will surely make changes in that concept paper.

Senator COHEN. Thank you. Mr. Chairman.

Senator JEPSEN. Do you have further remarks?

Dr. ROSTKER. If I may quickly. Just over a year ago I appeared before you at my confirmation hearing and promised to move Selective Service from its deep standby posture and build a system which could meet the wartime manpower requirements of the Department of Defense. I am happy to report that we have accomplished that goal.

Since the resumption of the registration last summer, the System, in conjunction with the U.S. Postal Service, has registered almost 5.5 million young men. This figure represents a compliance rate of 95 percent for last summer's registration of men born in 1960 and 1961 and a compliance rate of 87 percent for the January registration of young men born in 1962. These figures have and will continue to grow over time as late registrations are received.

The revitalization of the system will include the recruitment and training of standby local and appeal board members; the development of the management and ADP system to control the claims/adjudication system; and the development of an alternative service program to complement the induction program.

That concludes my oral statement. I would like to take this opportunity to express my appreciation for the support of this committee and particularly to Congress in general which has enabled the Selective

Service to reach this level of preparedness. Thank you, Mr. Chairman. I am ready for any questions.

Senator JEPSEN. Now, Mr. Brinkerhoff, do you have any comments?

Mr. BRINKERHOFF. I have no opening remarks.

Senator JEPSEN. Mr. Donovan, you said that equipment for Reserves, as shown in the figures on your second table, is available, either in stock or in vendors' stock. Do you mean that we have equipment that is already manufactured and ready to go, either we own it or we can buy it and it is available?

Mr. DONOVAN. Senator Jepsen, I was referring to the new units that would be formed by the Army as shown on the requirements table. These are 33,000 manpower spaces that would go into those units which are planned to be formed by the Army. They would use equipment that is either on hand or would be available from vendors.

The kind of units we are talking about are engineer construction units and other units which would buy commercial equipment from vendors, like transportation truck companies which would use commercial trucks. Administrative units would require very little equipment, only typewriters and desks. I was not referring to the entire shortfall of military equipment that currently exists.

Senator JEPSEN. I appreciate your taking time to clarify that. It was confusing. Let me pursue it just a bit further. Your commercial trucks, for example, that we would use or your bridge building equipment or heavy construction equipment, is that actually a plan that has been put in the record and arrangements made with companies, or is it just pretending that that is what would happen and that is what they would do?

Mr. Donovan. I do not believe the arrangements have been made with the companies. The list of units have been prepared and there has been some general examination of the availability of that kind of equipment from commercial vendors. But to my knowledge no plans have been made in detail that would arrange for the delivery of that equipment in time of mobilization.

Senator JEPSEN. Mr. Stone or Dr. Rostker, the statement was made that you are now processing the registration cards of the young men born in 1962. I forget which one made that statement. What does that mean? What do you do when you process the registration card?

Dr. ROSTKER. We keypunch the basic registration material and enter it into the computer and we are in the process of sending confirmation letters out to those who registered last January.

Senator JEPSEN. Some of the 35.5 million young men that were registered since you started, some of them and in due time all of them will receive a letter of acknowledgement that they are registered?

Dr. ROSTKER. Just about all of them have received a letter. We also send acknowledgement letters every time we have a transaction with the young men. When he changes his address we send a confirmation letter out. The program requires us to do that within 90 days. During the summer we sent out almost all of our confirmation letters within 45 days.

Senator JEPSEN. How many employees do you have in your Selective Service office?

Dr. ROSTKER. I don't have the onboard count but it is around 100 or 125. We will go up to 225. This increase will be to utilize Government employees to keypunch and perform the manipulation of the data base. Today those functions are handled by contract personnel.

Senator **Jepsen**. Mr. Stone, in some of these items and the result of the evaluation of the exercise "Proud Spirit," you point out the fact you are still not satisfied with the mix of skills and that is especially true of some skills. And these things weren't difficult as you acknowledge here enough.

And you found some of the same problems you found in "Nifty Nugget." Is this material now unclassified or is it still classified?

Mr. **Stone**. Let me ask Mr. Donovan to discuss the status of that material.

Senator **Jepsen**. In all fairness let me tell you the reason I asked. I am curious because we did ask, you know, Senator Nunn and myself and others, that this information which we knew about, we knew about some time ago, that in order to again give the facts above board and so on, that we wanted to do this back in 1979, I believe, or early 1980.

We were advised that we could not do that because the information was classified. We were trying to alert the public that we had some mobilization readiness problems and the material was classified at that time. I am wondering whether it is still classified and if it isn't, what happened to declassify it?

Mr. **Donovan**. Your question deserves two anwers. First, there was an unclassified report following Nifty Nugget. Although it was delayed for some time it was finally published, at the urging of the committee, in mid 1980. Copies of it were furnished to this committee. We began plans to have an unclassified report for last fall's exercise much earlier. It is in preparation now and it should be available before the middle of the summer.

Second, at the urging of Senator Nunn, the Department took a hard look at all of the things it had classified with respect to manpower information. As a result of that review, the information that we are talking about now in terms of shortfalls of Army personnel has been unclassified. The one thing that we prefer not to do is declassify the detailed information about particluar skills that are in short supply. We feel that that information could, in fact, have some national security implications and we prefer not to release that information.

Senator **Nunn**. I think that that is consistent with my recall on that subject. George Travers tells me that the broad skill categories, I think, were declassified as far as shortages but not some of the details.

Mr. **Donovan**. At last year's hearing I think we provided you some information concerning percentage shortfalls of some skills and we will make that available again in our April report.

EXTENDING THE IRR AGE REQUIREMENT

Senator **Jepsen**. Have you examined the possibility of extending the individual Ready Reserve so instead of just 3 years a person who goes in at 18 and they come out at 21 they still have some pretty good years in them yet for the rigors of combat, up to the age of 27 or 28. Have you ever thought of just extending the age, the IRR requirement?

Mr. **Stone**. We have thought of that, Senator Jepsen. There are two elements to that. One is we are now offering bonuses to people who voluntarily extend. The way it works is that when a person joins the Armed Forces, he or she incurs a 6-year military service obligation; if he enlists to come on active duty for 4 years, he will spend 2 years in the Individual Ready Reserves. We will then offer him the opportunity to reenlist; if he does; he gets a reenlistment bonus.

Another possibility that we have thought about is extending the military service obligation which is set by law at 6 years. If it were extended to 8 years, then the people who entered after the law was changed would stay longer in the Individual Ready Reserve and it would therefore get bigger. This is one issue that is still under consideration. It has a potential drawback of being an impediment to recruiting, making it less desirable for people to enlist. That is what we have to consider.

The benefit is it makes the Ready Reserve larger but it takes a fair amount of time to do that. If we got a law today extending it from 6 to 8 years, it would not be for 6 years until we began to feel the benefit of that change in the law. We are optimistic that in less time than that we will provide for enough people in the Individual Ready Reserve.

Senator **Nunn**. Mr. Chairman, I have a question that is rather a long one and I don't want to take too much time. It has several parts but Mr. Stone has the Reserve Forces Policy Board ever had a position until recently on the whole question of a draft?

Mr. **Stone**. Mr. Brinkerhoff can answer that.

Mr. **Brinkerhoff**. I believe the Reserve Forces Policy Board position, as I understand it, is that they believe that a draft would be useful and some form of national service would be a good idea.

Senator **Nunn**. This board acts through the Assistant Secretary of Defense and it is a policy advisor to the Secretary of Defense on matters relating to Reserve components?

Mr. **Stone**. Yes; that is right.

Senator **Nunn**. There are 21 members of the board: 1 Coast Guard officer; 1 regular officer appointed by each Secretary of a Military Department, and each Assistant Secretary of Manpower for each Service are members of the board. The remaining 14 members are appointed by the Secretary of Defense, is that right?

Mr. **Stone**. Yes; it is right.

RETURN TO DRAFT FAVORED

Senator **Nunn**. The 1980 fiscal year annual report contains the following readiness assessment by this board. I do not know whether it was unanimous or maybe there was a dissent. I think it is pretty interesting. That is why I asked if they had made this recommendation, to recommend reinstatement of active service of the draft as the only means to correcting serious manning problems. The report is signed by all 21 members. Do you know whether that was a unanimous decision?

Mr. STONE. I can't answer that, Senator Nunn. I can get an answer for the record.

Senator NUNN. Mr. Brinkerhoff, do you know?

Mr. BRINKERHOFF. I believe it represents a consensus, but I don't know the extent to which that represented all members.

Senator NUNN. Is this the first time that the board has recommended return of the draft?

Mr. BRINKERHOFF. No, they have consistently recommended it for years.

Senator NUNN. This is something that they have had ever since the All-Volunteer Force went into effect.

Mr. BRINKERHOFF. In the 3 years I have been in the business they have recommended that each time.

Senator NUNN. And these are all of the Assistant Secretaries for Manpower?

Mr. BRINKERHOFF. Yes, sir.

Senator NUNN. I suppose these people were all appointed under the previous administration?

Mr. BRINKERHOFF. Yes, sir.

Senator NUNN. And these are all civilians?

Mr. BRINKERHOFF. The Assistant Secretaries of the Military Departments are, yes, sir.

Senator NUNN. Where does this board rate in terms of overall advice to the Secretary of Defense? Who else is comparable to it? Is there anybody else who is comparable to it on Reserve Affairs?

Mr. STONE. Mr. Brinkerhoff's office provides advice to the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, and through him to the Secretary. The Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics also advises the Secretary more broadly on matters affecting the Reserves.

NEW MEMBERS WITH NEW ADMINISTRATION

Senator NUNN. Now, under the new administration, will there be a new board? How many people will be changed because of change in administration?

Mr. STONE. All of the Assistant Secretaries will be changed. There are some ex officio military officers on the board; the Army Deputy Chief of Staff for Military Operations, for example, is a member ex officio. The other members' times are appointed for fixed terms and I can give you the details, Senator. They turn over from time to time though.

Senator NUNN. Could you furnish that for the record?

Mr. STONE. I will be glad to.

[The information follows:]

RESERVE FORCES POLICY BOARD MEMBERSHIP

Members of the Reserve Forces Policy Board	*Term of service*
Chairman: Louis J. Conti 12	September 1977 to September 1981.
Military Executive: Maj. Gen. Joseph D. Zink, USAF	April 1979 to February 1981.
Department of the Army:	
Vacant, Assistant Secretary of the Army (Manpower and Reserve Affairs).	Duration of appointment.
Lt. Gen. Glenn K. Otis, USA, Deputy Chief of Staff for Operations and Plans, Department of the Army.	At discretion of Secretary of Army, July 1979 to—.
Maj. Gen. Thomas K. Turnage, ARNGUS, special assistant for training and readiness to the DASD (Reserve Affairs), Washington, D.C.	March 1978 to June 1981.
Maj. Gen. Billy G. Wellman, ARNGUS, the adjutant general, State of Kentucky.	January 1981 to December 1983.
Maj. Gen. Frederick H. Lawson, USAR, commanding general, 91st Division (Training), Fort Baker, Sausalito, Calif.	January 1979 to December 1981.
Maj. Gen. Wilber J. Bunting, USAR, commander, 85th Division (Training), Chicago, Ill.	February 1980 to February 1983.
Department of the Navy:	
Vacant, Assistant Secretary of the Navy (Manpower, Reserve Affairs and Logistics).	Duration of appointment.
Maj. Gen. George B. Crist, USMC, Deputy Chief of Staff for Reserve Affairs, U.S. Marine Corps.	At discretion of Secretary of Navy, July 1980 to—.
Rear Adm. Robert L. Zralek, USNR, commander, Naval Reserve Readiness Region 13, Great Lakes, Ill.	January 1980 to January 1983.
Rear Adm. Thomas E. Morris, USNR, chief of Naval Reserve support unit, New Orleans, La.	July 1978 to June 1981.
Maj. Gen. Jack M. Frisbie, USMCR, special assistant to the Deputy Chief of Staff for Installations, Headquarters, U.S. Marine Corps.	May 1980 to May 1983.
Brig. Gen. Kenneth W. Weir, USMCR, assistant wing commander (west), 4th Marine Air Wing, El Toro, Calif.	November 1977 to February 1981.
Department of the Air Force:	
Vacant, Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations).	Duration of appointment.
Maj. Gen. William R. Usher, USAF, director of personnel plans, Office of the Deputy Chief of Staff for Manpower and Personnel, Department of the Air Force.	At discretion of Secretary of the Air Force, May 1979 to—.
Maj. Gen. Stanley E. H. Newman, ANGUS, Air National Guard special assistant to the commander in chief, Military Airlift Command, Oklahoma City, Okla.	January 1980 to December 1982.
Maj. Gen. John A. Johnston, ANGUS, the adjutant general, State of Michigan.	January 1981 to December 1983.
Maj. Gen. Bruce M. Davidson, USAFR, mobilization augmentee to the Secretary of the Air Force, Headquarters, U.S. Air Force.	September 1980 to August 1983.
Maj. Gen. Roy M. Marshall, USAFR, assistant to commander, TAC, for Reserve Forces, Langley Air Force Base, Va.	August 1979 to August 1982.
U.S. Coast Guard:	
Rear Adm. Sidney B. Vaughn, USCG, chief, Office of Reserve Headquarters, U.S. Coast Guard, Washington, D.C.	At discretion of Secretary of Transportation, June 1979 to—.

RESERVE POLICY BOARD VIEW

Senator NUNN. The board recommends a specific program and they recommend the qualified personnel be drafted to a 6-month training program after original station phase and each individual be given three choices. The first choice is join the Active Forces with maximum benefits and a military service obligation that is dependent upon training received.

The second choice is join the Selective Reserve with reduced GI benefits, a longer military service obligation. And the third is complete the 6 months program with an emphasis on a ground combat role and then join the IRR with the least GI benefits and longest obligation. What is your personal view of this proposal?

Mr. STONE. Senator Nunn, I think that we have very, very good prospects of maintaining the Active and Reserve Force with volunteers in the near future and I know that is the position of Secretary Weinberger as well, that is, he is optimistic that the force can be manned.

Senator NUNN. Is that your personal view?

Mr. STONE. Yes, it is, Senator.

FILLING COMBAT SKILLS

Senator NUNN. In your statement you say you need 70 percent of the people in the IRR to be trained in some combat or critical skills and only 30 percent are. And you are saying 1986 is the first time we will even begin to get to full scale IRR. How does that reconcile with your view that you just stated, that we are about to be in a position under the Volunteer Force to make the system work? I am thinking 1986 would be after President Reagan had completed his first term, wouldn't it?

Mr. STONE. Yes; it would.

Senator NUNN. And yet you think the Volunteer Force is on the verge of working as it applies to Reserve and IRR when you need 70 percent combat skills and you don't have but 30 percent and you have a huge shortage that won't be remedied until after this President who has just started his term will complete his first term?

Mr. STONE. The combat skills issue is a serious one. We have some plans to deal with that. The Army training base after mobilization would be taken up in large part by providing a quick combat skills training program to IRR members. In addition we have asked the Army, and in fact the Army has agreed, to provide cross-training to troops that were in support jobs, to provide them some combat skill training to alleviate that shortage. Today the shortage of trained people in the IRR is a serious one. It would inhibit or reduce our ability to prosecute a war.

Senator NUNN. I understand that and that is why I say how do you square that with your view that the Volunteer Force is about to work?

Mr. STONE. We are getting better each year. We are a lot better off today than we were 3 years ago. We are going to be a lot better off 3 years from now than we are today. You asked for my personal opinion and I feel free to make a political judgment I guess I would call it as to the benefits and costs of conscription.

Surely if we had conscription we could fill the shortage in the IRR within about 2 years. I think that is about the time it would take for the existing Army training base to train our people. We could do it and that is one of the benefits of returning to conscription. We could fill the IRR shortage more quickly than we will under the volunteer system. But in my judgement there is a substantial cost to the society of taking that course of action.

Senator **Nunn.** That is exactly what people said in the same administration about registration a year ago. Mr. Brinkerhoff, what is your personal view on the Reserve Policy Board?

Mr. **Brinkerhoff.** I believe that it is possible to do things yet within the All-Volunteer Force framework that we have not yet done very well that will give us a good shot at closing the shortfall in 2 or 3 years. If we are unable to do that, then we should consider some form of draft.

The things I have in mind are, first of all, that we have to press ahead on increasing strength in the Selected Reserve units. That program is successful, and we are tightening the requirements. We are going to start measuring by trained strength, recognizing that the untrained members of units have to go back upon mobilization to complete their initial training. So we are increasing the targets and we are having some success. We anticipate that Selected Reserve unit trained strength will increase 100,000 in the next 2 years. That is our budget program, and we believe that with the incentives granted by Congress we are going to do that.

IMPROVING IRR MANAGEMENT

The second thing I believe we ought to do is to improve the management of the IRR. The figures that you have been shown today show that only 7 out of 10 members of the Army's IRR are going to be available. This is not what I would term adequate management of this very essential resource. The Army needs improved management, and more money, and more attention to the IRR to see if we can't get more than just 7 out of 10 people to come during the war.

Senator **Nunn.** The first time I heard it said was by Secretary Brehm in 1975.

Mr. **Brinkerhoff.** Yes, 70 percent is a guess now and it was a guess then.

Senator **Nunn.** You mean a guess as to the actual condition now or a guess as to the corrective procedures?

Mr. **Brinkerhoff.** We guessed it in 1975, and now it has become Holy Scripture. Our view is that if you give a reservist a training opportunity, organize him into some kind of meaningful activity, and above all give some idea what he is going to do when he reports, then you are going to have a reservist who not only has a higher propensity to report but will be more valuable. That also helps solve the skill mismatch problem.

It does not matter how big an IRR you have. If they are not well managed, they will not be there in the first 90 days. Even if we have 500,000 in the IRR, they would have to have good management. It is a waste of money if we only plan to get 7 out of 10.

Senator **Nunn.** What happens when the Assistant Secretary of Defense for Manpower indicates this is the most serious manpower problem you have, in 1975, and outlines a program to correct it and now we are in 1980 and you are outlining a program that will correct it in 1980 and you have identified good management? Where is good management going to come from if it has not been there for the last 35 years?

Mr. BRINKERHOFF. It is difficult to stimulate people into putting money into programs and change policies and laws that would help us to do that. We are still trying. Compared to buying new high technology weapons, putting money in training these IRR people is a very low priority indeed.

INCREASING STRENGTH OF THE IRR

My third point has to do with increasing the strength of the IRR. I think we can do that with the reenlistment bonus, and if that does not do it, then I think we ought to consider other ways to do it. One way would be, as Mr. Stone has said, to allow people to enlist directly in the IRR, or ultimately perhaps draft them in.

If we do those three things, then we can erase this shortfall in much less time than the program presently shown.

Senator NUNN. You would be more optimistic than Mr. Stone's statement then?

Mr. BRINKERHOFF. I am responsible for solving the problem, and I have to be optimistic because I want to convince people to give us the money and support necessary to solve the problem.

Senator NUNN. Who was responsible in 1978, 1970's, and 1979?

Mr. BRINKERHOFF. I take it from 1978 on.

Mr. STONE. May I add to that?

Senator NUNN. Let me ask one more question and we can come back on that. I want to quote further from the Reserve Forces Policy Board. They say in their report that since the beginning of the All-Volunteer Force, first, the Selective Reserve has declined by 93,348 personnel. Over 70,000 of these personnel would be assigned to ground forces.

Second, the Selected Reserve is 134,000 short of meeting fiscal year 1981 wartime requirements.

Third, the IRR has declined by over 824,000 personnel. According to the board:

> The shortages discussed above, coupled with the manpower position of the individual components and Individual Ready Reserves create a compounding critical shortage of trained, dependable and responsive personnel for both organized units and as individual replacements.

This is the point, Mr. Chairman, I wanted to emphasize because this is what has happened for the last 5 years, I know. This problem cannot be ignored or passed off using recent gains to demonstrate how well we are doing.

It seems to me, Mr. Chairman, that that is exactly what we heard here today. I just ask now and I don't know whether this board or maybe these opinions ought to be thrown away and maybe they aren't worth anything. But it seems to me you have 21 people there representing Services and the Assistant Secretary for Manpower and you have people responsible for a day-to-day working here and yet when it gets kicked up to the next highest level it always is sugar coated. And we are told that new management techniques are going to improve it and you wait until 1980.

We were told in 1975 everything was going to be much better and now we are being told that by the end of this President's term who has just come into Office, the end of his first term these problems are going to be straightened out by good management. Perhaps I should not be skeptical but I must confess that I am.

Mr. STONE. Senator, since Mr. Brehm told you 5 or 6 years ago that that was the most important problem that he saw, some things have happened to improve the situation. The management of the IRR has been substantially tightened up and its strength has been increased. The strength of the Reserve components have turned around. We cannot prove to you that that strength is going to increase next year and the year after but neither can we ignore that it did increase last year and the year before. Those are really significant improvements.

Senator NUNN. You have said it could be done by management. Wouldn't money help?

Mr. BRINKERHOFF. That is the case. That is true in the case of the IRR.

Senator NUNN. You need money now?

Mr. BRINKERHOFF. Yes, sir.

Senator NUNN. We are not talking about management then. We are talking about money?

Mr. BRINKERHOFF. Two kinds of money. We need money for these bonuses which we are requesting in the budget and my personal view is that we have insufficient money for IRR management to improve the yield from seven out of 10 to a more economical yield of 9 out of 10. I see no reason why we can't get our members to report in a mobilization for a full-scale war.

Senator NUNN. My point is when you talk about management really what you are talking about is more money and you are not talking about management techniques and you are talking about money. I know you can manage better with more money; everybody can.

Mr. BRINKERHOFF. We are talking about calling the reservist up and saying, how would you like to come for training? We are talking about hiring people to call the reservist and remind him, for one thing, that he is still in the Army.

Senator NUNN. I take it that neither of you would agree with the Reserve Policy Board's conclusion, that this problem cannot be ignored and passed over using present gains, demonstrating how well we are doing. Did either of you sit in with this board on that deliberation?

Mr. BRINKERHOFF. I am not a member of the board, and I am not privy to their collective deliberations. However, we do converse, and I had an opportunity yesterday to discuss this very subject with the board.

Senator NUNN. Do we have anybody here today with the board? I see General Usher here. Let me ask you, did you agree with the board's conclusions?

General USHER. I did not agree with the board's conclusions with respect to reinstitution of the draft at this time. However, we do recognize that there are needs for greater improvement in the management of Reserve Forces. And speaking for the Air Force, we need to strengthen our ability to attract people and pay them.

Senator **Nunn**. How many people dissented from the board's view, that we should go back to the draft? Was there a recorded vote?

General **Usher**. There is not. It is discussed and then the members get to comment on the report and some of those comments are taken and some of those comments are merely noted.

Senator **Nunn**. Do we have any way of knowing who voted in which way and how many people stand and what the splitoff was on it?

General **Usher**. I don't believe so. I do not believe there is any record kept of that. In some cases, as I said, the services made comments.

Senator **Nunn**. The board adopts a position and nobody was for it.

General **Usher**. I would not say that is the case, sir. I think that does in fact represent a consensus.

Senator **Nunn**. That is what happens on the vote on the floor that are not recorded, particularly on controversial matters. We have a hard time finding out who voted for it. I wondered if the board operated that way. Is there anybody here who was for that on the board? Maybe we ought to have somebody from the board come up if we can find anyone who was for this recommendation.

That annual report says that most recommendations and policy changes had unanimous support. That might make an interesting hearing. My only point is we have been hearing about this management that was going to take place for a long, long time and you must confess that if you had sat here for 6 years and heard it, you would begin to wonder whether it was really going to happen.

It is like a new President is coming in. President Carter was going to balance his budget in his last term. President Reagan is going to balance it in the last year. But the manpower problems aren't going to be solved until 1986. In the meantime we are toughening up our foreign policy and asking our allies to do all sorts of things going along with us. And yet here the new administration is confronted with not having a manpower adequacy during their whole first term. I would hate to be in the White House trying to run national security policy and not have adequate power to even meet our most basic needs.

Mr. Chairman, I have taken up enough time.

Senator **Quayle**. I promise 6 years hence, not to quote Senator Nunn on how this thing is or is not going to work. By that time, and with your insistance, I'm sure we will have an increase in quality with a Volunteer Army or a draft as the case may be.

Does the administration have a position on this? Is it going to stick with registration? The President said on the campaign trail that he is going to get rid of that.

PRESIDENT HAS POWER TO CANCEL REGISTRATION

Dr. **Rostker**. We do not have a position. The matter is under study by the White House. It would require some specific act by the President to cancel registration and that act has not been forthcoming.

Senator **Quayle**. Is there going to be some sort of policy board formed to advise the Secretary of Defense? How will the administration go about making a decision? Does anybody know?

Senator **Jepsen**. You are probably asking the wrong question and Dr. Rostker was an appointee of President Carter and not President Reagan.

Senator **Quayle**. I just wonder if they would have some insight as to how the administration is going to go about deciding whether or not to keep registration or not.

Senator **Nunn**. Could I ask a question there? Is the money in the budget to carry out the registration now?

Dr. **Rostker**. Money is in the 1982 budget to continue it.

Senator **Quayle**. We think we are going to continue registration?

Dr. **Rostker**. I think it is a statement of the status quo. The subject is under advisement at the White House and it is my understanding that the President has not made up his mind. It would take a specific act to cancel the program and this act has not been forthcoming. I do not read into that an endorsement of the registration, however.

ISSUE OF CLASSIFICATION

Senator **Quayle**. In addition to registration, there has been a lot of discussion about classification. How big an additional burden would that be to you?

Dr. **Rostker**. We have a requirement to report to this committee at the beginning of next month on the issue of classification. We have looked at the subject rather extensively and are likely to recommend a modified classification program. What would we mean by that? Basically it is a screening program to classify the permanently disabled who would not be available to draft in an emergency.

We believe that this prescreening could be accomplished at a very minimum cost both in terms of additional personnel and dollars. If we were to go back to a full classification system, cost estimates run as high as $200 to $350 million and the classifications themselves would be quite perishable.

PENALTY FOR FAILURE TO REGISTER

It would be basically impossible to undertake a full classification action today without a projected induction date and expect that those classification actions would remain the same 1 or 2 years into the future.

We believe that through a screening program we can, at a very reasonable cost, eliminate major concerns in terms of permanently disabled personnel and personnel with mental disabilities.

Senator **Quayle**. In your statement you claim you had a 95-percent compliance rate last year and that this year you are down to 87 percent and you expect it will go higher. What happens to those people who are dropped by registration?

Dr. **Rostker**. It is the same as it has been. Failure to register carrys a maximum penalty of 10 years in prison and/or a $10,000 fine.

Senator **Quayle**. Has anybody been prosecuted for failure to register?

Dr. **Rostker**. No; no one has been. We have published in the Federal Register a system of records which is the basis for a passive reporting system. We have a number of cases of possible nonregistrants that have been referred to us from the general public. We then check these names against our registration lists. If a person is found not to be on our list, his name will be forwarded to the Justice Department.

As I explained to Senator Cohen, we have had some problems with the use of social security numbers. Both I and past directors believe that the use of social security numbers is the key to a major compliance program. However, we will most likely have a conflict between the Military Selective Service Act and the various privacy statutes concerning the use of the social security number. It may well come to pass that Congress will have to make some determination as to relief for Selective Service and the Justice Department in this particular application of privacy.

Senator **QUAYLE**. You haven't received a letter from anyone notifying you of an intent not to register?

Dr. **ROSTKER**. Yes, and those names are being processed and will be forwarded to the Justice Department. We also get letters from a number of people who make accusations against other people. We check those accusations out. If they are not on our registration list their names will be forwarded to the Justice Department.

The problem is locating the majority of people who may not have registered. As pointed out to Senator Cohen, this is not a new problem. It existed under the previous method of registration. Last year before the House Judiciary Committee's Subcommittee on Courts, Civil Liberties, and the Administration of Justice, I indicated that there may be problems in locating nonregistrants and that I did not rule out the possibility of asking Congress for exception to the Privacy Act. On January 15 I wrote to Senator Hatfield indicating that without an exception to the Privacy Act we would likely be tied up with extensive litigation just as we are today over simply asking for the social security number on the registration form.

Senator **QUAYLE**. But the names of those people who have said they are not going to register for one reason or another have been sent over?

Dr. **ROSTKER**. Their names will be, consistent with the provisions of the system of records which have recently been published in the Federal Register. We have to outline the program. We receive these informations in the general correspondence and they have to be put in a specific system of records so we can compare them against our registration lists.

Before you can establish that you have to make notice in the Federal Register and that has been done and as soon as that period is over, we will make the matches and we have had discussions with the Department of Justice and they expect to receive those referrals from us.

Senator **QUAYLE**. When do you think you will be sending those over?

Dr. **ROSTKER**. Within a matter of weeks. I don't have the specific time. That will be in about 30 days.

Senator **QUAYLE**. Have they been published in the Federal Register?

Dr. **ROSTKER**. The names are not. The system of records has been advertised in the Federal Register.

Senator **QUAYLE**. How many names are there?

NUMBER OF NONREGISTRANTS

Dr. **ROSTKER**. There are not very many. I don't have a count on them but the number is in the hundreds and not in the thousands.

We do project from summer registrations that there may be as many as 200,000 persons who have not registered. Let me point out, however, that it is the history of the agency that a number of people do register late. It has been the policy of the agency and Department of Justice to allow those late registrations.

In fact the proclamation which established the registration has a provision which explicitly allows a type of late registration. We had 87 percent registered as of the end of the registration period this summer and by the 4th of September it was 93 percent. We are pushing 96 percent today. We are well ahead of the benchmark pace of the 1975 registration in which we ended up with over 99 percent registered.

Senator QUAYLE. Thank you.

Senator JEPSEN. Senator Denton?

Senator DENTON. Thank you, Mr. Chairman. Mr. Stone, on page 14 you state, "We also found in Proud Spirit we may need new legislation to improve current manpower authorities." Would you elaborate on that?

Mr. STONE. One of the things we found was that in an emergency such as the crisis in the Proud Spirit scenario people would continue to routinely leave the Armed Forces as their enlistment expired or term of extension had expired. Absent a declaration of war by the Congress there was nothing that the Secretary of Defense or the President could do to stop people from leaving. This is the sort of change to existing authority that we would probably want to make.

RESERVE CALLUP TO DUTY

Senator DENTON. I have been pursuing the subject of a better way of getting the Reserve Forces called to active duty and kept on active duty in an emergency which might not be scheduled or designated as a national emergency by the President or by Congress.

I think perhaps some of the other Senators might help shed some light on this but I haven't found any way by which the President can gain timely access to the Reserves in a politically acceptable manner in the event of a contingency less than one justifying the calling of a national emergency. A case in point is that we went through 8 years in Vietnam and never did call the Reserve, yet made extensive use of the Reserve Force in the Korean war.

This is not intended to be a criticism of the Reserves, but I am questioning the readiness with which they can be called to active duty. Do you have any comments on how that might be improved or whether you disagree with it?

Mr. STONE. The last Congress expanded the President's authority so that he can now call up to 100,000 members of the Ready Reserve without a direct declaration of national emergency for a short period of time.

Senator DENTON. I am familiar with that. It is my further understanding that there are four vehicles to effect a Reserve callup: A. Congress can declare a war or national emergency. B. The President can make such declarations. C. If the President determines it is necessary to augment the Active Forces for an operational mission, he may call up 100,000 selected Reserves for not longer than 90 days. D. The Secretary of the concerned service may order to active duty a portion of the Reserve component for not more than 15 days.

I spent 20 minutes of the subcommittee's time with the Acting Assistant Secretary of the Air Force regarding this matter, and he was under the impression that there was not a 90-day time limit, although he said he was not sure and he was going to look it up. He has not done so yet. It appears to me as if those four ways do not provide for optimal use of the Reserves in a manner that would have a significant impact on a crisis situation. It seems we cannot make optimal use of the Reserves without the President or Congress having to commit a political act which history indicates is untenable. I have yet to learn the consequences and perhaps you can answer this, did Congress ever declare a national emergency which was so politically untouchable?

Mr. STONE. I am not an expert on that, Senator, but I do know that there is a variety of circumstances that a President might face that would enable him to call a national emergency. I believe President Carter called a national emergency for the purpose of taking over Iranian assets in this country. That was a little over a year ago.

Senator DENTON. But it had no significant military or national security impact.

Mr. STONE. It is a different sort of thing but it still was a declaration of national emergency.

Senator DENTON. I am talking about a decision to authorize the Reserves to be called up for longer periods of time than the 90 days currently authorized.

Mr. STONE. Let me ask Mr. Donovan to comment.

Mr. DONOVAN. Under a change made in the National Emergencies Act in 1978, the President is no longer authorized to declare a national emergency and thereby gain for himself all of the powers existing in law. Now, if he were to declare a national emergency, he must also state the purposes for which it is being declared. He would enumerate the things that he would be using from law, and he would be restricted to those things. In the case of the seizure of the Iranian assets, the President declared a national emergency and stated that it was for that particular purpose.

Senator DENTON. In other words the circumstances which made it pragmatic to refrain from calling up the Reserve although we had a draft, a very heavy draft, and had Active Duty Forces in some cases making three or four deployments to Vietnam, that has been made even more restrictive regarding a Reserve callup and has made the callup less likely?

Mr. DONOVAN. This has been discussed within DOD. It was considered that the decision to recall any large number of Reserves for any length of time would be the kind of decision the President would want to make in conjunction with the Congress. Thus, it is no longer being considered within the Department of Defense. There is no consideration being made to improve the authority whereby the Secretary of Defense may call Reserves.

Senator DENTON. That is why I asked the question originally about improving such authorization. Would you be in favor of increasing that scope of authority to make it more possible for the Reserves to be called up to active duty? I think you know where I am going. You can have a national emergency when the Soviets have seized the oil fields or you can have a national emergency after a nuclear exchange. In these instances the emergency is self-evident. But you can also be faced with circumstances that leave you in an unacceptable position on the national security chess board, but where a formal declaration of national emergency might be viewed as over-reacting or having the effect of heightening tensions. In such instances, timely access to the Reserves could constitute a strong show of resolve which could have the effect of defusing a crisis situation before the conflict stage. I am trying to make that possible.

Mr. **Stone.** Senator, I think the authority of the President to call up 100,000 people for 90 days is a very substantial power. I would not want to comment on the appropriate balance of powers between the Executive and the Congress.

Senator **Denton.** Extending existing authority would not merely assist the executive branch. The Congress was not able to declare a national emergency either for what was explained to me as political reasons. I think it has to do with all sorts of intertwining laws effecting many government regulations. I believe that in my personal opinion I could take another look. I am not getting such support from you, I gather?

Mr. **Stone.** I don't mean to be uncooperative, Senator. In our exercises and in our thinking about the sorts of situations that may require the use of military force, no one has identified the need to have an authority to call up more people for longer periods of time. That is not to say that such a need could not exist but it is something we have not thought of.

Senator **Denton.** I would strongly suggest we think about it because we have a one-and-one-half ocean Navy and a three ocean commitment. If we want to send some people into a rapid deployment force, they aren't there and they are not going to be there without a draft and without calling up the Reserves. And we still might get in one of those situations in which it is not politically feasible to declare a national emergency. I strongly recommend we look at it and I would have hoped that one of you four gentlemen would have thought about it before now.

Senator **Jepsen.** Will the Senator yield? To feed back what I think I gathered you are saying in the area of implementing foreign policy and in crisis management that if a show of strength and resolve would be beneficial in settling an issue and negotiating an issue and influencing an idea, that it was your feeling that there should be a provision for that latitude to bring into play the necessary Reserves and so to do that? Is that what you are saying?

Senator **Denton.** Yes. Short of an all-out war and short of a big shooting war, with or without any shooting at all, I believe that our commitment, the likelihood that our intent would be interpreted as a bluff or as something not credible, would to a great degree be backed up by a more ready way of getting the Reserves on active duty.

After Korea, although we handled it very poorly in some ways, we did use the Reserves and I would say we over-used them, especially in comparison to Viet Nam. But nevertheless that one we won and then all through the 1950's, the later 1950's up until Viet Nam, we could make a feint and we could make a statement from the President and we could reposition the situation, the fleet or move an airborne division and people respected that.

Now you can send all kinds of signals and they are going to laugh right in your face. This is part of it in my opinion. In other words, in spite of gallantry on the part of the dead and living who served in Viet Nam, we lost the issue not because of military preparedness, but because of political insecurities.

There was a lot of psychological and political folderol after the fact of winning the military decision in 1972, but it is part of the same context of misunderstanding. If we don't see that, the Soviets or anyone else can read that we have a very great difficulty with getting our Reserves onto active duty but it is a very moot point as to whether or not it is useful.

Mr. STONE. Senator, I think if the situation were such that the President, any President, would not want to declare a national emergency, our potential adversary would be advised by that reluctance. At some point declaring a national emergency is a statement of serious purpose.

Senator DENTON. That is right. What I am saying is had we had the will to exercise the military shock which we did in December of 1972, we could have done it with land forces earlier than that. Part of that will is involved in the fact that President Johnson and President Nixon did not find it politically advisable to make that commitment.

I think we should have relied, in my opinion, on the Reserve Forces, in addition to our draft and our Regular Forces: I think we relied too much and too late on the latter two.

Mr. STONE. I think that is one of the lessons of Viet Nam.

Senator DENTON. And so, therefore, I am addressing and trying to correct the circumstances which led to such decisionmaking. It was politically undesirable to four consecutive administrations.

Mr. STONE. I understand, Senator.

Senator JEPSEN. Mr. Stone, recognizing the inheritant difficulties in making the exact manpower requirements available, casualties and the amount of time available before a conflict begins, are capable of meeting our planned contingencies? Can you give us your personal opinion or official opinion or both?

Mr. STONE. I am not sure how to answer that, Senator. I think the right answer is that we are capable of executing our plans but that answer itself is somewhat circular because our plans are necessarily based on the capability we have today. I think there is a general consensus in the Department and in the Nation that we are not capable of meeting all of the contingencies that our Armed Forces need to be able to meet.

MEETING WARTIME INDUCTION SCHEDULE

Senator JEPSEN. Dr. Rostker, can the Selective Service meet the wartime induction schedule now required by the Department of Defense?

Dr. ROSTKER. Yes; the system can.

Senator JEPSEN. During the present shortage in Reserve strength, do you anticipate any shortages in personnel, inductees in approximately M+90 days?

Mr. DONOVAN. Let me try to answer that, Senator. Currently, the Army would have some difficulty in training all of the inductees that could be made available to its training base, given the current shortages of individuals and equipment, the lack of training plans and other items of equipment.

The requests to supply those kinds of things are included in Army's fiscal year 1982 budget. We think once those funds have been authorized and appropriated the Army will have adequate resources to train at least the first month of inductees and volunteers.

We will be looking at the Army's program this spring and making decisions about it this summer. We would hope that we will see additional resources for follow-on kinds of equipment and uniforms, and the like, in the Army budget to carry us out through 90 days of mobilization.

Senator JEPSEN. From the present information we have, would I expect Mr. Stone to answer this or whoever you designate? What is the time in days that you would estimate it would take from M-Day to bring a person into combat position, adequately trained and so on.

Mr. STONE. We would expect to get the first draftee within a couple of weeks after mobilization and it would take about another 12 weeks to train him. So it would be a total of about 113 days after mobilization that we would start getting trained draftees into our combat units.

Senator JEPSEN. Dr. Rostker, how would the addition of a classification system effect our mobilization capability?

Dr. ROSTKER. It would not substantially improve the delivery time. It would improve the clarity of the system. We believe that through a process of screening out those permanently disabled we could reduce some of the confusion that would naturally result in a mobilization. It would certainly reduce the problems of getting people who were for example physically disqualified from their home to the AFEES, as an example. But in terms of the speed of the system there is no improvement in the delivery times because of a classification or a modified classification screening program.

Senator JEPSEN. Mr. Donovan, do you agree with that?

Mr. DONOVAN. Completely.

Mr. STONE. I do.

Mr. BRINKERHOFF. Yes, sir.

Senator JEPSEN. Last year the Army Chief of Staff, General Meyers testified he had been told by military manpower specialists that classification would improve recruiting for the Reserves and the National Guard.

Dr. ROSTKER. You say would improve recruiting?

Senator JEPSEN. Yes; this is a new subject that I want to explore. As you well know, I don't agree with your last answer but that is immaterial. So let us explore recruiting. Would classification improve recruiting for the National Guard? Mr. Stone, would you like to comment on that?

Mr. STONE. I am not sure, Senator Jepsen, I would be inclined to guess that it would make a very small difference, probably a positive one but I don't have data on which to base that.

Dr. ROSTKER. If I may expand, Senator, I want to make sure that it is clear while I do not think classification or screening would improve the speed of the system, there is no question that it would improve the efficiency of the system.

I certainly do agree with the concerns you have expressed over time, and particularly last year, where you raised the question of those who were permanently disabled and people who had loss of limb and the like.

I believe we will come to the Congress next month with the outlines of a program that would allow us to remove those people from the active list so that induction orders would not be sent to them and that we could proceed in a much more orderly fashion. So I completely agree with the basic premise but it is not in terms of time that would be saved.

It is clearly in terms of the efficiency of the process, the order in which we could proceed and the problems that could be alleviated in terms of ordering people who were for example blind or who were crippled to travel from their home to a place to take a physical examination given by a military physician,

Senator JEPSEN. I am confused by the fact that you say it does not save you any time and in fact it couldn't help but save time.

Dr. ROSTKER. It would save time to the extent that for example on M+13 days we would expect some 14,000 people to go in. To the point that some portion of those would be physically disabled and without a screen they would be asked to go, the process will be improved.

But the first inductee would still come on M+13 and we can't bring him in any faster. It would relieve the strain at the AP's and it would clear up the process there if we did not have to deal with people who we would be foolish to order if we could eliminate them.

But the projections are that this is not a large proportion of those first 14,000 that would be ordered. We can't speed up the process and I can't bring them in on M+5 or 6 or 10. The time limitations are the mailing of an induction notice through a Mailgram process which we think will be completed by M+3 and then the additional 10 days required for the individual to get his affairs in order before he reports. This does not involve the classification process and I can't speed that up. What I can do is make sure that we are not burdened at the AFEES with people physically disqualified for very obvious reasons like loss of limb or blindness. So I completely endorse the basic premise that we should in peacetime endeavor to remove these people from the active selective service files so we don't send them induction orders.

It should be clear that the advantage is not in time but it is in the efficiency of the process.

Senator JEPSEN. President Carter's proposed budget for fiscal year 1982 recommended $24 million to continue registration under the selective service. Does President Reagan's budget for 1982 make any change in the funding?

SSS FUNDING LEVEL

Dr. ROSTKER. It removed $1.6 million which in no way would compromise the basic program we presented to the Congress. The removal of those dollars have to do with computer terminals which we had scheduled to buy. We found we could use computer terminals that the Army Recruiting Command is going to place in the recruiting stations rather than purchase our own. This is simply an efficiency. The basic program as envisioned in the January budget is intact.

Senator **Jepsen**. That partly answers the question asked a while ago, that $22,400,000 has been recommended by the Reagan administration in their budget to continue registration. The fiscal year 1982 budget is $21,074,000 and that would allow us to continue to the registration program, including registration in fiscal year 1982.

Is it correct that the Army's total red trail program in 1968 was $500,000, is that approximately correct?

Mr. **Stone**. I am not sure, Senator Jepsen. I will have to provide that for the record.

Senator **Jepsen**. Considering improvements at Army Individual Reserve standby assets and military retirees, what is your projected shortfall now in fiscal year 1982?

Mr. **Stone**. I don't have the numbers for fiscal year 1982. It is somewhere between 249,000 for 1980 and 111,000 for 1986, Senator, and we can provide the number for the record. We just don't have that on hand.

Senator **Jepsen**. Do equipment constraints aggrevate the situation?

Mr. **Stone**. Equipment constraints, to the extent we are short of equipment, will reduce to some degree the amount by which we feel the manpower shortage. That is, we have shortages of equipment below what our forces would need to fully mobilize. That means that if we had the men they would not have equipment to operate. So in a sense the equipment shortage reduces the magnitude of the manpower shortage.

BONUSES FOR IRR

Senator **Jepsen**. In fiscal year 1982 you request $14 million for reenlistment bonuses for the Individual Ready Reserve. This will yield according to one figure 34,000 but earlier in the day here we talked about 70 percent of those 7 out of 10, so that could be 23,000.

Now according to these figures for 14 million Individual Ready Reserves, a maximum of 34,000 and possibly 23,000 would respond to mobilization. That isn't anywhere near meeting the needs, is it?

Mr. **Stone**. No; we would assume or we would count on people who got bonuses reporting in much higher numbers than 70 percent and our calculations assume a number in excess of 90-percent utilization of the bonus figures. If that is not enough, that program still leaves us short of the total requirements, Senator.

Senator **Jepsen**. Considerably shorter?

Mr. **Stone**. Yes.

Senator **Jepsen**. Eighty percent, would you say?

Mr. **Stone**. Oh, no, the total requirement for trained people in 1980 is about 1.75 million and our calculation shows we are short about 14 percent.

Senator **Jepsen**. Can you state to what degree the MOS's required at M+30 and M+60 will match those available within the Individual Ready Reserve?

Mr. **Stone**. I don't have a number on that, Senator, but the facts that members of the Individual Ready Reserve have military occupational specialties that track with the peacetime Army and that requirements for replacements tend to be heavily in the combat jobs, indicate there will be a mismatch there.

Some members of the Individual Ready Reserve will require retraining in the combat skills before they are useful to us and our plans count on that retraining.

Senator **Jepsen**. By the end of fiscal year 1980 the Army had included 40,000 retirees in the pool of trained manpower available for mobilization and, Mr. Donovan, what percentage of this large pool of retirees is assumed to respond to mobilization orders? They were included in here, I understand, in some of your graphs and so on.

Mr. **Donovan**. That number that the Army has used for fiscal year 1980 is the total number that the Army would expect to be able to call and put in the force out of a much larger number of retirees. By the end of fiscal year 1982 the Army intends to increase the size of its retiree pool that it will manage and call in, in time of mobilization, to 80,000, and then, by fiscal year 1986, the Army intends to increase that number to more than 100,000.

These are people who have retired within the last 5 to 10 years and are under the age of 60. They have good experiences and can be used in positions within the United States.

Senator **Jepsen**. Would you explain to the subcommittee in some detail what functions these retirees would be expected to perform?

JOINT AUGMENTATION UNITS

Mr. **Donovan**. These retirees can be used, as I mentioned, mostly within the Continental United States; in training, maintenance, supply, installation management and the like.

There is a wide range of jobs or kinds of things retirees can usually do. As another example, under Mr. Brinkerhoff's leadership, we formed units of retirees called joint augmentation units. These are medical and administrative personnel; they will augment the Armed Forces Examining and Entrance Stations for the purposes of handling the large loads of inductees brought in by the Selective Service.

Senator **Jepsen**. Among the initiatives, Mr. Brinkerhoff, implemented to improve the strength of the pretraining Reserve, is the transfer of individuals with mobilization potential to the IRR instead of discharging them from the Active Forces with no Reserve obligation?

Apparently these people are released from the Active Services for reasons of unsuitability or through expeditious discharge policy. My question is, how many of these people have been transferred, in your opinion, to the IRR, to your knowledge?

Mr. **Brinkerhoff**. I will have to provide the exact numbers but it is a very small proportion, about 20 percent of these kinds of losses are considered by the commanders on the scene to be worthy of retention in the Ready Reserve for mobilization purposes.

Senator **Jepsen**. Would you describe or give some example of problems that these people experienced before they were released from the Active Forces?

Mr. **Brinkerhoff**. Some of these people show perhaps immaturity or unwillingness to participate in activities. Where they are considered not to be worthwhile to retrain in active components but are not really bad people in the sense that they have committed a crime or something of that nature, we ask the commander who is doing the broad-ing out of this individual to judge whether that person, in his opinion, could be a mobilization asset. We feel that we should keep these people until we have sufficient numbers in the IRR to meet our needs.

Senator JEPSEN. So what you are saying is that subject to a commander's judgment, in light of their active duty record, if the commander should in his judgment decide that he doesn't want them around now but that they can be relied upon to respond to a mobilization order to perform their assigned role in the event we get in a shooting war?

Mr. BRINKERHOFF. Yes; we have numerous examples of cases where people are young and immature and where subsequently they have grown up and become responsible citizens and have later on participated in Reserve unit activities.

Senator JEPSEN. Mr. Stone, in your prepared statement you said the Defense Department is still not satisfied with the numbers and the mix of skills of those personalities and can be mobilized quickly. This is especially true of health officials. There is a current shortfall there, is there?

Mr. BRINKERHOFF. There is a substantial shortfall, and I will provide the number for the record.

[The information follows:]

HEALTH CARE PROFESSIONAL SHORTFALL IN THE SELECTED RESERVE

The end fiscal year 1980 shortfall of Health Care Professionals in Selected Reserve Units was 5,878.

Senator JEPSEN. What measures could be taken to increase the number of such personnel in the Reserves, National Guard?

Mr. BRINKERHOFF. We are taking a number of steps, and we are proposing some additional steps which we believe will act to increase the number of health professionals, particularly physicians.

We will be asking approval for some legislation which, for example, will provide a commission in the Reserve components to a new doctor on the same basis as his active duty counterpart. Right now two people going to the same medical school graduate and one goes on active duty and becomes a captain, and his buddy goes in the Ready Reserve and only becomes a 1st lieutenant. We think they should get comparable treatment for their medical training.

We have a legislative proposal which would allow us to appoint people as field grade officers without having to have Senate confirmation because the procedure is protracted, and we lose candidates during the appointment process.

We are interested in legislation which would allow people to pay back their health professional scholarships by serving in the Reserve. There are other measures which we are taking to encourage the physicians and the various associations to tell their members it is a good idea to serve in the Reserves.

We are working on a program which would allow professionals in the health field to perform training which may be more suited to their time constraints, and yet still allow them membership in the Reserve.

Senator JEPSEN. Are these going to be submitted for legislative action or perusal?

Mr. BRINKERHOFF. They will be submitted as part of the administration's legislative program for the 97th Congress.

ARMY RESERVE AND NATIONAL GUARD EQUIPMENT SHORTFALLS

Senator JEPSEN. The Army Reserve and Army National Guard have also suffered from serious equipment maintenance shortfalls. For example recently it was reported that the National Guard is operating about 69 percent of its equipment and even worse the Army Reserve is about 43 percent of its wartime dollar value requirements. Now, Mr. Brinkerhoff or Mr. Donovan, what effect does the continuing buildup in Europe have on equipment shortages?

Mr. STONE. May I answer that? The last Congress told the Army not to expand their stocks at the expense of the Reserve components. The budget this year, President Carter's budget and President Reagan's amendment, have quite large amounts for procurement of equipment for the Army that will enable it to preposition equipment in Europe and continue to provide more rather than less for the Reserve components.

Senator NUNN. I have a question. I understand when I was not here Senator Jepsen asked a question about the expeditious discharge program and how many people are going into IRR. Would you repeat that?

Mr. BRINKERHOFF. I will supply the number for the record. It is about 20 percent of those types of losses have been retained in the IRR by the people making those judgments.

Senator NUNN. If they are getting expeditions discharges, what does that mean?

Mr. BRINKERHOFF. It means they are unsuited or they opt out.

Senator NUNN. Why would they be qualified for the IRR?

Mr. BRINKERHOFF. Because they received initial combat training and some skilled training and we put money in them, and if they can be of use to us until we get up to strength, we want to keep them in the armed services so we can order them to active duty in any mobilization.

Senator NUNN. Isn't there something inconsistent about discharging someone as unsuitable and depending upon them in an emergency?

Mr. BRINKERHOFF. He is not discharged. He is transferred to the Ready Reserve. He remains a member of the Armed Forces of the United States.

Senator NUNN. Tell me again their reason for the expeditious discharge?

Mr. BRINKERHOFF. To allow people who are unsuited or did not wish to serve on active duty and are considered not capable of serving on active duty to be relieved without much fuss.

Senator NUNN. They are not capable of serving on active duty but they are capable of being in the IRR and serving our country in a war?

Mr. BRINKERHOFF. Yes, sir.

Senator NUNN. Who makes those judgments?

Mr. BRINKERHOFF. The commander on the ground who is the one instituting the expeditious discharge.

Senator NUNN. That particular commander decides whether they are eligible for the IRR?

Mr. BRINKERHOFF. What we say is that when you are getting a man discharged or transferring a man off active duty, we ask you to look at him and see if in your opinion he is worthy of retention as a mobilization asset in the Ready Reserve. If that officer thinks that the person can be of value in a war, then he is kept in rather than discharged.

Senator NUNN. Could you furnish for the record the numbers of those people who are now in the IRR, the number that you had come in in fiscal year 1980 and is this a new program or has this been going along?

Mr. BRINKERHOFF. 1980 is the first year we will have experience, and we will provide the information.

[The information follows:]

EXPEDITIOUS DISCHARGE PROGRAM

During fiscal year 1980, 10,695 individuals were considered for discharge from the Army under the Expeditious Discharge Program. Of this number 8,841 were discharged and 2,254 were transferred to the IRR as having potential for service upon mobilization. The Navy, Marine Corps and Air Force have not transferred any individuals to the IRR in lieu of discharge under the Expeditious Discharge Program.

Senator NUNN. Would you provide that for the record on 1980 and also on 1981, how many are coming in the IRR under those circumstances?

And could you detail for the record how many of those would have been expeditiously discharged because they were untrainable, No. 1? And No. 2, discipline problems; and No. 3, alcohol problems; or, if there are other problems, give us the reason they were discharged from the regular forces before they were put in the IRR?

Mr. BRINKERHOFF. We will provide that.

Senator NUNN. Thank you.

[The information follows:]

TRAINEE DISCHARGE PROGRAM

Servicemen discharged for alcohol or drug abuse problems are not eligible for transfer to the IRR. These members are rehabilitation failures and are not considered to be reasonable risks for future service. In addition, members discharged for misconduct are not eligible for transfer to the IRR.

Personnel are not discharged for untrainability through the Expeditious Discharge Program. Those who cannot complete their skill training are discharged through the Trainee Discharge Program. During fiscal year 1980, 11,978 individuals were considered for discharge from the Army under this program. Of that number, 1,172 were transferred to the IRR as having potential for future service. The remainder were discharged. Before making this determination, local commanders give due consideration to the gravity of the situation requiring full mobilization and the motivation such a condition could have on these individuals. Also, the probable maturing effect of an additional two or more years of age is assessed when making the determination to transfer individuals to the IRR.

WOMEN IN QUASI-COMBAT AREAS

Senator JEPSEN. We come to a concern here, the concern the U.S. Army has for active duty. The concern is enough to have a very serious study on the impact of the women in quasi-combat areas, especially in the percentages and the quotas and so forth. Do you have any comment about that with regard to this? What is the percentage of women in the Reserve?

Mr. BRINKERHOFF. We are talking about 10 percent overall but it varies by component.

Senator JEPSEN. Is it increasing?

Mr. BRINKERHOFF. Yes; it has increased substantially.

Senator JEPSEN. Does anyone in the panel care to comment on the registration of women?

Dr. ROSTKER. Yes, Senator, the case is before the Supreme Court. We understand there is a hearing scheduled for the end of this month where oral arguments will be given. I would like to make one point, however.

The issue that faces the court and potentially the Congress is not an issue of pre- or post-mobilization registration. It is an issue of whether or not women will be required to be registered. If the Supreme Court should uphold the district court and declare the Military Selective Service Act unconstitutional and the Congress did not amend the act to allow Selective Service to register women, the United States would be deprived of its ability to fill military manpower needs in response to a national military emergency.

It must be clear that without registration authority there cannot be a draft. Registration and standby draft are key aspects of our military preparedness.

In other words the problem that would be facing us is not whether we should return to a post-mobilization standby system. It would be whether or not we would ever again contemplate the use of conscription as a means of augmenting military manpower.

Senator NUNN. If they hold that registering is unconstitutional or to exclude women from this registration that would also be unconstitutional in all likelihood, to exclude them from any kind of premobilization or post-mobilization registration which had been planned in the absence of actual registration.

Dr. ROSTKER. If they declare the current act unconstitutional, it would be just as unconstitutional if it were on the shelf as a standby registration system as it is for an active registration system.

I think it is very, very clear. What the Supreme Court does has no bearing upon whether we retain registration or we go to a postmobilization scheme.

If the court acts to strike down the law and the Congress does not act to change the statute, we will clearly lose the current registration but we will also lose all further registrations and any possibility of using the draft or conscription as a vehicle for augmenting manpower requirements.

Senator NUNN. I think, concerning registration of women, the record is clear. Congress does not believe it is necessary and Congress did not believe it is required by our Constitution or our laws. And Congress does believe that the actual drafting of women would interfere with manpower mobilization in times when the very survival of our Nation might be threatened.

The reasons Congress feels this way are clear and they are expoused by this committee in its June 19, 1979 report.

I have one or two other questions. I will wait until you get through, Mr. Chairman.

Senator JEPSEN. You may go ahead.

EFFECT OF PEACETIME REGISTRATION ON MOBILIZATION

Senator NUNN. I wonder if you would furnish for the record, Dr. Rostker, the effect on mobilization that peacetime registration has had?

Dr. **Rostker**. We can start the process in 24 hours. We demonstrated that during the recent event. We were called on the Friday and we held a lottery that day and by noon on Saturday the computer tapes were sorted and we started issuing induction orders.

We wrote the first 35,000 induction orders, the first days requirement and we instituted the names and addresses of 700 military Reservists who belong to the Selective Service System. We sent them Mailgrams and by Monday morning most of these people had received their Mailgrams and that was over a weekend.

If we did not have the registration even the most optimistic restaging, based upon the actual experience working with Post Offices and the Internal Revenue Service for keypunching support, we would not accomplish this for at least a month and I think it would be longer given the natural inclination of such a system to develop problems in actual operation.

Senator **Jepsen**. Would the Senator yield? Given the situation just described, Mr. Stone, do we have the facilities to move these people in and go ahead and process them and start training them?

Mr. **Stone**. Yes; we do, Senator.

Dr. **Rostker**. One of the things that the Congress has provided and is moving along on schedule is a new joint computer center for both Selective Service and the Military Enlistment Processing Command for Armed Forces induction.

That computer center will be on the line this summer and will substantially enlarge our ability to move the system. One of the hallmarks of the Selective Service System of the last year has been a close working relationship with the Department of Defense so we are quite confident that we can move these people not only through Selective Service but through the AFEES system.

MILITARY REQUIREMENTS ON MOBILIZATION

Senator **Nunn**. Could I ask you to do one other thing? Could you furnish the military requirements now on mobilization for the record, No. 1; and No. 2, your previous opinion as to what post-mobilization could have done given the computers that you requested prior to President Carter's advocacy of registration?

In other words that is your old plan, not the Rostker plan but the civil service plan adopted by Rostker before complete education? And third, the way you analyzed that prepeacetime registration plan? Let us call it the plan No. 1 of the Carter administration, how you analyzed that after going through your actual experience and looking back on it? Tell us what that would have done.

Dr. **Rostker**. I can do it right now for you or would you prefer for the record?

Senator **Nunn**. I wanted something in the record we could compare that with. The fourth thing, of course, is the difference between what we actually can do with peacetime registration employees and what we could do or could have done had we continued the post-mobilization plan? Now all of what would be based on your presentation.

[The information follows:]

TIMETABLE COMPARISONS

In early 1980 Selective Service developed contingency plans for a post-mobilization registration that were summarized in a January 16 so called "Draft Report". Those contingency plans included: face-to-face registration at U.S. Post Offices, data entry by the Internal Revenue Service or Social Security Administration, and an enhanced data processing system. Based on those plans, Selective Service expected to register within four days, conduct in an initial sort of registrant data at U.S. Post Offices in one day, enter initial data on computer tapes in one day, and issue induction orders the following day, M+7, which would provide the first inductees by M+17.

Most elements of that plan were followed in implementing the July 1980 registration. The USPS conducted registration. The IRS handled data entry. The Department of Interior provided necessary computer support.

However, the plans were incorrect in several areas. They did not include provision for the massive data management effort required. Initial screening of data and error corrections are more complicated and labor intensive than originally anticipated.

The plan did not acknowledge the tendency for some individuals to register late. In early 1973 only 77 percent of the eligible population registered on time, however subsequent late registrations pushed the figure to a 99 percent compliance rate. In 1980 about 87 percent of the eligible population registered on time, yet two months later 93 percent of this group had registered. To insure the fairness and equity of the System, the random selection process should be made from the most complete pool of eligible registrants possible. Our present plan allows for late registrations and would provide the largest possible pool from which to draw should it become necessary to resume inductions.

The plan also assumed that registration materials would be pre-positioned at all post offices. We do not now believe that forms and related materials could be stored at individual post offices and controlled adequately.

Selective Service had six months to prepare for registration in 1980. The President announced his decision on January 23 and signed H.J. Resolution 521 (Public Law 96–282) on June 27. Selective Service, the USPS and the IRS needed nearly four weeks to launch registration and several additional weeks to put registration data in a usable form. Briefing and training people, distributing publicity announcements, distributing registration materials, and solving logistics problems took more time than originally envisioned. Collecting data and entering it on computer tapes was slower than projected in the contingency plans.

In the event of an emergency, Selective Service is now able to issue orders for induction almost immediately and could meet DOD's requested schedule for mobilization manpower. That schedule calls for the first inductee on M+13 and 100,000 inductees by M+30. One of the conclusions of Exercise Proud Spirit, conducted in November 1980, was that Selective Service could meet this DOD schedule.

Without registration, Selective Service could develop a revised version of the contingency plan described above. Upon implementation of such a plan, Selective Service should be able to issue induction orders within about 4 weeks; roughly two weeks to distribute materials, publicize plans, train personnel, and conduct registration, and two weeks to collect the data, enter it on computer tapes, conduct a lottery, assign Random Sequence Numbers, and issue orders for induction. That estimate does not include unforeseen delays.

Dr. ROSTKER. The plan that was envisioned in the January 16 or so-called draft report of Selective Service consisted of using the U.S. Postal Service and using either IRS or the Social Security Administration to keypunch the data. In fact, we implemented that plan in the actual registration.

What we found in actually implementing that plan was that our original estimates were considerably optimistic. As an example, while the Postal Service did an absolutely outstanding job, it became quite clear that it was not feasible to stockpile materials at each post office as originally planned.

From the point Congress provided us funds last spring it took us 4 weeks to mount the registration. That is 4 weeks on top of intensive planning for 6 months. It is 4 weeks on top of having 25 tractor-trailer trucks already loaded with registration materials ready to move with the expectation of a registration date near at hand. It took approximately 2 weeks to move the registration material out on preloaded trucks and approximately 2 weeks to train the postal clerks.

Now if we were to lose registration, we think that we could improve upon those 4 weeks somewhat. It would still be necessary to move the registration material and to train people. At a minimum that would take 2 weeks. This summer we registered over a 2-week period but there is no question that we could register in a single day.

The next big change from the original plan to actual experience was the speed with which we moved registration material to Internal Revenue Service keypunch locations. In one case we projected a center to come on line and start keypunching in M+3 days and it did not come on line for 7 or 8 days. I had a bottleneck in terms of the movement of this material. So at best we think it would be at least 2 weeks before we could bring those centers on line. Another very important thing which we are able to do is clean registration files. As I pointed out, only 87 percent of the eligible group registered on time this summer. We have since registered an additional 8 or 9 percent. The longer those files are open, the more likely we can create the full population.

In addition, we had approximately 100,000 errors on the file which we were able to clean up through telephone calls. We would not be able to do that without an on-going registration process. We feel it improves the delivery capability by at least a month and that time frame is optimistic.

Senator Nunn. You are saying at least a month. What would be your range from 1-month minimum to what?

Dr. Rostker. The range would be from 1-month minimum to 6 to 8 weeks and that would depend upon how badly systems might break down. For example, if we lose registration material in the mails, it could be another week or two before we felt comfortable in starting the induction process. In addition, the longer time we have to pick up late registrations and clean out the file misinformation, the better and more equitable the system would be.

Senator Nunn. General Meyers, I asked him that question and he comes up with a longer period of time than you do. I am trying to get something in writing so I can analyze the difference between the Army view and your view?

Dr. Rostker. General Meyers and I have been over this several times. The first number that the Army is likely to give you is of an extended period of time, probably 9 to 12 months. This is where the system in fact was last year. The plan was a piece of paper. The system was in relatively bad shape, very bad shape.

We started revitalizing the system in January and the final registration results were announced in September. We could not have accomplished the registration sooner. You take from January to September and you have your 9 months.

Considering that the Postal Service has experienced two registrations and is presently involved in continuous registration, if we were to cancel registration today and go to a system of stockpiling material at several locations throughout the country, I think we could have a delivery capability of, at minimum, 1 month. Having been burned once, I would proceed with the understanding that it would likely be more like 6 weeks.

Senator **Nunn**. Would it be fair to categorize that previous draft as at best wishful thinking and at worst a cruel hoax?

Dr. **Rostker**. I think the standby system discussed in the draft report was a substantial progression from what we had. We implemented the procedures in those plans. I think the only thing that was wrong was the timetable.

Senator **Nunn**. Which happened to be the most crucial thing?

Dr. **Rostker**. That report addressed not only the procedures but pointed out the need to test the procedures out and wait final judgment until that test was accomplished. I think it is fair to say that the actual registration of last summer was the test and that the system clearly requires a substantially greater period of time.

Senator **Nunn**. Thank you very much. I congratulate you on an excellent job. I think our national security has been considerably enhanced and I think you are responsible for implementing a very, very difficult program.

I am really kind of kidding you here a little bit and I can't resist but I think you and your whole staff should be congratulated for implementing a program that could have gone wrong in many, many different places and I don't think that there is probably enough appreciation of the number of pitfalls that you had in implementing that program.

You had at least 1,100 different places where you could have made severe errors and you did not and I would say to all of those who participated, we still have a way to go, I am sure, but you have done a superb job and I want to congratulate you.

Dr. **Rostker**. Thank you. I would like to publicly thank again the U.S. Postal Service. They did an absolutely first-rate job. It is a much-maligned organization but they were professionals in every respect. They worked with us intensely during the planning and they did not let us down. I am glad to say they did not let the American people down.

Senator **Nunn**. I hope you will express, we can speak for this subcommittee, this subcommittee's thanks for those who implemented this program. Having been the participants of the program so to speak, I think this subcommittee was particularly aware of the things that could have gone wrong.

RESERVE FORCE REPORT

I just want to ask one more question, Mr. Chairman, this Reserve Force report states again that most of these policy changes had unanimous support. I was looking through this list and we talked to General Usher already but it is interesting, Mr. Chairman, because so many of these names are familiar to me who signed this report because they have testified here and they have all testified against the draft and for a volunteer Force.

I say not all of them because some of them have not but we have Assistant Secretary of the Army Peacock and we have Lieutenant General Otis, just names I am familiar with and we have a lot of Reserve people. These are the people who must be voting for it. We have heard from General Usher. We have Major General Zink. We have the Assistant Secretary of Navy, Joseph Doyle and I just would be curious, General Usher, if you could go back and look at those meeting minutes and just determine who is on what side of the question.

There are some people here that I have heard from and I don't know whether it is group therapy or whether it is the courage of a board as opposed to individuals or whether people have not paid much heed to what is in the report. When you have a whole board recommending this to the Secretary of Defense and then you have a number of these people who obviously have different views according to previous testimony, it does raise questions.

It must be that the Reserve and Guard people on this board are the ones advocating the draft. Could you comment on that?

General USHER. Yes, sir. I think you are accurate in that statement that the strongest support for resumption of the draft does come from the Reserve members.

Senator NUNN. Would you let me know if there was anyone dissenting from this report or whether there were individual opinions? Thank you.

Senator JEPSEN. Thank you, Senator Nunn. Before I make my closing remarks, is there anyone on the panel who desires to state anything further for the record before we call this meeting to a close?

I want to thank you for appearing today and I thank you for your candid testimony. And I, too, Dr. Rostker, echo my distinguished colleague, my mentor in manpower and personnel matters, Senator Nunn, in his comments about your efforts and your accomplishments.

I also would hasten to suggest that constructively we are all on the same wavelength, I believe, as far as end results are concerned. That is we want to provide for the national security for this country.

Long before it was popular there were some of us who felt that you preserve the peace by attaining a level of defense that will indeed keep that peace. In other words you secured peace through strength.

The fact that it takes somewhere in the neighborhood on the good news side, of 100 days to process inductees and now you think you can perform that mission. And by the way I would like to have added to Dr. Rostker's report on the mobilization general requirements. If you could fill in the requirements of how we can meet those by way of physical facilities, by way of manpower and by way of training, I would like that picture added for the record.

But it was indicated here that it does take 100 days and I had 113, somewhere is that area to train inductees to combat units and during that time the Reserves are still going to be our only source of trained manpower for almost 4 months.

There is also not refuted here that for M+90 days we anticipate the Army will be 249,000 short as of today of its pretrained manpower requirements.

Then we repeated here today that one of the MOS's in the critical needs they have is for combat. So as I review here today, we are paying $600 reenlistment bonus to get people to lend us their name and address hopefully and stay there for the next 3 years in the IRR. We are counting some way on retirees up to age 60 and we have 11 to 12 percent of women who, bless their hearts, they made a real role. But we are talking about combat and that is what is making up our Reserve.

So the question I would ask is, where are all of our 18 to 22 and 23 years olds that we are really going to need in the Reserves and where are they going to come from? If we want to look for this to resolve the serious shortage of critical skills in the combat area.

We all in good faith are working together and everybody who has appeared before the committee, and we will take the information we have and may call and ask for your advice or counsel or some more information but we do so in the arena of wanting to do the same thing that we all agreed upon, and that is to provide for an adequate national security and specifically for an adequate mobilization and readiness plan which we all know we have serious problems on. I am about to close this meeting.

Senator Nunn. I have one other thing. I understand—Mr. Chairman, I subscribe to everything you said—but I understand, even if optimistically, IRS projections for 1985 and 1986 count on a number of people. There are over 100,000 people that would be filling the ranks of the IRR from these already retired, is that correct?

Mr. Brinkerhoff. That is not correct.

Senator Jepsen. Do you want to run your statement through on that? You expected to reach over 100,000 to fill some support roles, was that correct or not correct?

Mr. Stone. Let me ask Mr. Donovan to clarify that.

Mr. Donovan. I am looking at table 3 of Mr. Stone's statement and it shows those figures.

Mr. Brinkerhoff. We use retired personnel extensively to fill the kinds of jobs for which they are well suited, but we don't plan to include them in the IRR.

They are pretrained individual manpower, and we use retirees as well as standby reservists to meet that total overall trained manpower requirement.

Senator Nunn. They would be called like IRR?

Mr. Brinkerhoff. They would be called back to active duty in the event of mobilization; yes.

Senator Nunn. It is a distinction without a difference, isn't it? What is the difference if you get called back, you are still called back?

Mr. Brinkerhoff. The overall term we use is pretrained individual manpower, and that is what we are shooting for.

[Questions submitted for the record follow:]

Question Submitted By Senator Dan Quayle

RELEVANCE OF SELECTIVE SERVICE SYSTEM

Senator Quayle. Mr. Donovan, as you know, our defense policy in Europe is one of forward deployment. This has been deemed necessary for political reasons, but it has military implications: greater casualties in the opening days of the conflict, the need for swift reinforcement, the rapid introduction of active force reserves, and a relatively short period of decisive combat. In view of the fact that, even under optimum conditions, it will be at least three and a half months before the first group of inductees will be available for combat, how relevant is the Selective Service System to a short, high-intensity war in Europe?

Answer. Even if one assumes that a conflict in Europe would be short and decisive, and that it would be preceded by little warning, the residual military strengths of the NATO and Warsaw Pact nations would be an important ingredient in the eventual outcome. After the first few months of combat, the relative military strengths of the NATO and Warsaw Pact forces would help determine the extent to which either side would be able to continue the conflict or would be forced to negotiate a settlement. Without a responsive Selective Service System and a prepared Defense training establishment, U.S. military forces would be declining in strength and thus be in a most unfavorable position.

But one cannot be confident that a NATO/Warsaw Pact war will be short, decisive, and preceded by little warning. Wars have a history of lasting much longer than expected at the outset. In this case or in the case where the conflict is preceded by deteriorating relations between the sides, a responsive Selective Service System would allow a much earlier availability of trained individuals to replace casualties and to form additional units. Where warning time is available, an early decision to induct people to increase military strength could serve also as a deterrent to conflict.

Question Submitted By Senator Jeremiah Denton

EMERGENCY AUTHORITIES

Senator Denton. Mr. Stone, what is the law which describes requirements for, and the consequences of, a declaration of national emergency a) by the President, and b) by the Congress? In addition, could you provide a copy of said law(s) for the record as well as comment on its implications with respect to reserve mobilization?

Answer. There is no single law that describes the requirements for, and the consequences of, a declaration of national emergency by either the Congress or the President. Emergency authorities available to the President that affect the Defense Department during war, Presidential or congressional declarations of national emergency, emergency conditions, or other specified conditions are contained in nearly 20 different Titles of U.S. Code as well as in many laws that are not codified. Each of these contains a definition as to the condition(s) for invoking the authorities and most can be invoked under more than one defined emergency condition. (Examples: . . . in time of war or national emergency declared by Congress . . .; . . . during a time of national emergency declared by Congress or the President; . . . during a war or national emergency . . .)

The use of emergency authorities and powers during a national emergency declared by the President must be in accordance with the National Emergencies Act (50 USC 1601–1651). This act, which terminated as of 14 September 1978 all existing states of emergency, defines the powers and the process for the President to invoke extant emergency authorities. It does not expand or enlarge the earlier scope of emergency powers. While the act requires the President to specify the particular authorities and powers to be invoked, sets time limits, and provides for congressional review, it does hamper the President's ability to invoke the emergency authorities, including those that involve mobilization of the Reserves.

Ready Reserve mobilization authorities provide that: in an emergency declared by the President under the provisions of 10 USC 673 he may order up to one million Ready Reservists to active duty for up to 24 months; in a war or national emergency declared by Congress, under the provisions of 10 USC 572 he may order the Ready Reserve, the Standby Reserve and the Retired Reserve to active duty for the duration of the war or national emergency plus six months.

Instead of providing copies of the many applicable laws, I am providing a copy of the "Digest of War and Emergency Legislation Affecting the Department of Defense" for your and the subcommittee's information. (Two copies have been previously provided to the full committee.) This digest is prepared to provide a ready reference for Defense planners and decisionmakers but is not used as a basis for legal action. Of particular interest in this digest are the listings of authorities sorted by the conditions under which they may be invoked.

QUESTIONS SUBMITTED BY SENATOR J. JAMES EXON

PRETRAINED MANPOWER SHORTFALLS

Senator EXON. Last year Mr. Richard Danzig, Deputy Assistant Secretary for Manpower and Reserve Affairs testified before the Manpower and Personnel Subcommittee on the shortages of manpower at the point of 90 days after the beginning of a mobilization. He testified that at the end of 90 days the following Army career fields would only be partially filled.

Percent of fill at M+90

	Percent
Infantry	63
Armor	47
Artillery	80
Combat engineer	73
Medical corpsman	68

These figures were computed for personnel levels at the end of fiscal year 1979. What are the corresponding figures for fiscal year 1980? Can you give us some type of projection for the end of fiscal year 1981?

Answer. Army's most recent calculation using end of fiscal year 1980 actual figures indicates the M+90 fill for the selected career management fields are as shown:

Percent of fill at M+90

	Percent
Infantry	56
Armor	60
Artillery	87
Combat engineer	57
Medical corpsman	82

These calculations do not include any reclassification training of IRR members into these critical skills. The percentages quoted by Mr. Danzig included retraining 48,000 IRR members into these critical skills. This was the Army's plan at that time.

During last Fall's mobilization exercise, the Army estimated that 21,000 IRR members holding support skills should be reclassified into more critical skills. If 21,000 were reclassified, the data would be:

Percent of fill at M+90

	Percent
Infantry	58
Armor	63
Artillery	88
Combat engineer	60
Medical corpsman	86

The actual number that would be reclassified would vary depending on the need at the time and the extent to which that need could be filled by our existing trained manpower pools. It should be noted that reclassification training of 21,000 support skilled soldiers for use in the more critical skills would result in a worsening support skill shortfall. Adequate data is not available for estimating these percentages for fiscal year 1981.

MOBILIZATION MANPOWER PLANNING

Senator EXON. In your statement you mention the Wartime Manpower Program System (WARMAPS) to provide a common method for computing wartime manpower requirements. I presume this system was devised in response to the concerns of the Government Accounting Office discussed here last year, that there was no single method of determining manpower requirements by the Services. At that time I learned that only the Air Force supported its availability estimates with detailed and current studies.

What are the specific criteria for conducting periodic evaluations of manpower planning factors in the event of a mobilization?

Answer. The Wartime Manpower Program System (WARMAPS) provides a consistent methodology for portraying the time-phased demand for, and expected supply of military manpower by occupational category. This system has been developed over the past three years due to a recognized need for improved wartime manpower planning. WARMAPS is governed by a DOD instruction which establishes policies, procedures, and criteria for computing wartime manpower demands and supply.

The GAO report to which you refer dealt with the methods used by the Services to determine the nonavailability of personnel for performing their assigned responsibilities during duty hours which must be considered when establishing the manpower requirements for a particular unit.

There are no DOD-wide criteria for conducting periodic evaluations of the nonavailability planning factors that should be used to compute the mobilization manpower requirements of a particular unit. Each Service establishes its own procedures. However, OSD has published policy and planning guidance that governs Service determinations of the nonavailability time that can be included in the computation of the wartime manpower requirement for each unit. This guidance stipulates that:

Leave and pass will not be granted during the early months of a mobilization;

Family settlement time will not be granted after mobilization;

Training activities that provide only a marginal contribution to combat capability will be terminated upon mobilization; and

All activities that do not contribute to prosecution of the war effort will be terminated or deferred for at least six months upon mobilization.

HEALTH PROFESSIONALS

Senator EXON. Please provide for the record showing the shortfalls in health professionals at the end of fiscal year 1980, by Service.

Answer. A discussion of our requirements for health professionals is contained in our Manpower Mobilization Report, to be forwarded to the Congress on April 2, 1981 pursuant to the requirements of Public Law 96-342.

IRR REENLISTMENT BONUS

Senator EXON. Can you tell me about the success of the program of offering reenlistment bonuses for joining the Individual Ready Reserve? How many people have received the bonuses to date? Would you like to see the bonus authority continued? What is the current IRR shortfall?

Answer. The bonus program was passed by Congress in September 1980 as part of the 1981 DOD Authorization Act. It was not funded until December 1980 when the Appropriation Act was passed. The Army started offering the bonus in January, the Air Force in February, the Navy in March and the Marine Corps has not yet started. The first results from the Army are due in April. It is expected that the number of reenlistments will initially be small until the program becomes fully implemented and widely known. Because this program provides the only economic incentive for a member who has completed his/her obligation to remain as a member of the IRR, its continuation is essential. Historically, almost all IRR personnel elect discharge at the end of their obligation. This program is highly cost effective and we believe it will cause a significant increase in IRR strength. Since we start contacting personnel several months in advance of their date of discharge, it is essential that the present expiration date of September 30, 1981, be extended as soon as possible.

MOBILIZATION OF RESERVE COMPONENT GROUND FORCES

Senator EXON. What percentage of our Reserve ground forces would be mobilized, brought up to combat readiness, and deployed to Europe within 30 days (M+30), 60 days (M+60), and 90 days (M+90)?

Answer. Assuming a NATO-Warsaw Pact war in Europe and execution of full mobilization, [deleted] Reserve ground force units would be placed in maximum readiness posture immediately upon authorization of mobilization. Approximate mobilization and deployment percentages based upon current planning data are as follows:

	Mobilized	Deployed to Europe
M+30	[Deleted.]	
M+60		
M+90		

AVERAGE COST OF RESERVISTS

Senator EXON. What is the average cost per Reservist in the fiscal year 1982 budget?

Answer. The average annual cost for pay, allowances, subsistence and travel for Selected Reserve members who receive two weeks of active duty training and 48 inactive training assemblies is provided in the following table. The rates shown do not include costs for school and special training or operation and maintenance of reserve equipment and facilities.

Fiscal year 1982 average cost

Reserve component:	
Army National Guard	$2,113
Army Reserve	2,343
Naval Reserve	3,029
Marine Corps Reserve	2,112
Air National Guard	2,682
Air Force Reserve	2,193

RESERVES

Senator EXON. Mr. Stone, how many people and how much money is involved for the current recruiting programs for the Reserves for fiscal year 1981 and fiscal year 1982?

Answer. The fiscal year 1981 and fiscal year 1982 Selected Reserve recruiting resources are as follows:

	Fiscal year—	
	1981 program	1982 budget request
Cost (millions)	$200	$234
Man-years [1]	5,286	5,608

[1] Includes full-time civilians and military and part-time (man-day spaces) military.

Senator EXON. Mr. Stone, in your statement you provide a table showing Selected Reserve strength by component. Is this data based upon the Carter budget submission? If so, what changes do you anticipate for these strengths in the Reagan budget submissions? Also, please provide the same information to update your table on IRR strength if these are not based on the new estimates.

Answer. Table II reflects Selected Reserve End fiscal year strength by component based upon the Carter budget submissions. The revised submission under President Reagan's proposed amendment increases the U.S. Army Reserve and Air National Guard Selected Reserve strength as follows:

	Fiscal year 1981		Fiscal year 1982	
	Initial submission	Amended	Initial submission	Amended
USAR	216.8	219.5	236.6	242.1
ANG	(1)	(1)	98.3	99.1

[1] No change.

Note: The IRR strengths remain as they appear in the statement.

TRAINING BASE CAPACITY

Senator EXON. For the record please provide some background data on the Army Training Base capacity. From M+1 through M+180. What is the maximum steady state training level for the Army? How quickly can that maximum steady state be reached?

Answer. For the first 180 days after mobilization for a major war in Europe the Army training base will undergo an emergency surge due to anticipated needs for soldiers to fill units and replace casualties. This training is made more urgent because of an existing serious shortage in trained manpower. The input capacity of the training base during that period will exceed the steady and continuous state capacity by a significant amount. This is due to the initial heavy loading of the training base immediately following the decision to mobilize. A steady state condition will not be realized until after M+6 months. By that time, the Army will have made major adjustments to its training base as a result of wartime casualty experience, force structure changes and command decisions for the conduct of the war. The Army estimates that its Active and Reserve component training base wartime steady state input capacity is about 95,000 new soldiers per month. If we assume total mobilization, we can, of course, train several times that number, but exactly how many will depend on the ultimate force structure required.

IRR DIRECT ENLISTMENT VICE IRR DRAFT

Senator EXON. Mr. Stone, the chart on page 11 of your prepared testimony summarizes the status of our national mobilization capability quite well. At day M+90, should the United States mobilize tomorrow, we would be 249,000 people short of our wartime personnel requirement. Because of Selected Reserve units not being up to their wartime required strength, this shortage will exist because drafted manpower will not have arrived yet at the battlefield.

This situation will inevitably lead to the necessity of stripping Guard and Reserve units and using those personnel as "fillers"—an unfavorable development because those units which trained together would not be able to fight together.

Does this scenario not lead to the conclusion that perhaps our biggest problem is the tremendous shortage in the Individual Ready Reserve? A $600, 3-year IRR enlistment bonus cannot possibly correct this situation. Is it not time to address this situation head-on? Is an IRR draft necessary? Even according to your chart, we will still be 111,000 people short in 1986.

Answer. In peacetime, neither active nor Selected Reserve units are authorized their wartime strength levels. Upon mobilization these units must be augmented by pretrained manpower. Several initiatives have been underway since 1978 that have increased Individual Ready Reserve/Inactive National Guard (IRR/ING) strength by over 70,000 individuals. In 1981 the IRR reenlistment bonus program was initiated and it is anticipated that significant strength improvements will result. However, a new source of IRR manpower will be needed to completely eliminate the Army's projected shortfall in fiscal year 1986. That shortfall of 111,000 is based upon applying only a 70 percent yield factor to the Individual Ready Reserve/Inactive National Guard (IRR/ING). If a 90-percent yield factor were used, the shortfall is 49,000. This could be completely eliminated with an IRR direct enlistment program. We feel that an IRR direct enlistment program will provide better results for less cost than an IRR draft while preserving volunteerism in the Military Services. The IRR Direct Enlistment program has been tested and is considered to be a preferable source of manpower to the draft. Implementation of a nationwide IRR enlistment program should be tried before an IRR draft with the social problems and higher costs associated with it are considered.

USE OF RECRUITERS

Senator EXON. Dr. Rostker, according to your statement, "1500 pre-trained personnel would transfer from the Armed Forces Recruiting Commands to Selective Service to assist the officers assigned to the Systems Reserve Force". There seemed to be some confusion last year on whether or not the Army agreed to the assignment of recruiters to the Selective Service System. Are the pre-trained personnel that you refer to military or civilian personnel?

If military, have the Army and the other Services agreed to transfer these recruiters to the Selective Service? What if these personnel are qualified in combat skills?

Mr. Stone, do you have any comments on this policy?

Answer. The Department of Defense has agreed to provide the Selective Service System with individuals from the Military Service Recruiting Commands to help establish rapidly the Selective Service System's area offices during mobilization, These individuals will be assigned to the Selective Service System on a tem-

porary basis only and will be returned to the Military Services within six weeks for reassignment.

WOMEN IN THE ARMY

Senator EXON. Mr. Stone, after you testified before this subcommittee, we heard testimony from the Army witnesses. According to the Army, they are very concerned about the problems they are encountering with the increased number of women now in the Army and plan to have a total review of the use of women in the Army before the number is expanded any further. According to witnesses, there are now hard data showing the number of women in the Army is adversely affecting combat effectiveness. What is your view about the number of women in the Army?

Answer. The Army has advised us of their concerns about this subject. We are asking them to present whatever hard data they might have which illustrate the impact of the number of women in the Army on combat effectiveness. Existing data indicates that women have shown that they can operate sophisticated aircraft, command the latest missile site centers, repair vehicles, fire small arms accurately, and carry out the vast majority of military functions. Because a reduction in the number of women recruited places additional pressure on the recruitment of males, the prospect of changes in female accession programs must be cause for considerable concern.

MAXIMUM BONUS PAYMENT

Senator EXON. Mr. Stone, during your previous testimony you will remember that we had extensive discussion over the Department of Defense proposal to increase the enlistment bonus from $5,000 to $10,000. During our hearing with the Army, the witnesses indicated that they were not concerned so much with the increase in the dollar amount but rather with the authority to give the bonus to those who enlist for a three-year term. What is the basis for your proposal to increase the dollar amount of the enlistment bonus to $10,000?

Answer. The Services, especially the Army, are facing a much more challenging recruiting task as we attempt to dramatically improve recruit quality. We need the additional incentive that the enlistment bonuses can provide to attract more high test scoring high school diploma graduate recruits. We need both aspects of the requested bonus legislation, authority to pay higher bonus amounts (up to $10,000) and authority to pay bonuses to three-year enlistees. Both authorities will help expand the high quality recruit supply while enabling a range of bonus payments to be offered in return for enlistments of varying lengths in military occupations of varying attractiveness to potential high quality recruits. The $10,000 maximum would be offered in only a few of the most critically hard to fill skills and only for four-year terms of service.

THE STANDBY RESERVE

Senator EXON. Mr. Stone, on page 14 of your statement, you discuss the results of the mobilization exercise, PROUD SPIRIT. You state, "Although we have increased our supply of trained manpower, we are still not satisfied with the numbers and mix of skills of those personnel who will be mobilized quickly; this is especially true of health professionals." According to the Reserve Forces Policy Board report on the readiness assessment of the Reserve components "There are more than 9,000 and nearly 14,000 health care professionals assigned to the Standby Reserve." Is this true?

Answer. Partially. At the end of fiscal year 1980, there were over 9,900 doctors included in a total of over 16,700 health care professionals in the Standby Reserve.

Senator EXON. Also, according to the Reserve Policy Board, the Services are continuing to administratively screen and discharge members of the Standby Reserve although those actions are contrary to Department of Defense policy. If doctors and other health professionals are so desperately needed in time of mobilization, why can't this process of administratively screening and discharging members of the Standby Reserve be stopped?

Answer. The guidance given to the Services by the Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs & Logistics) concerning the screening of members of the Standby Reserve was for them to encourage the members to transfer back to the Ready Reserve. If the member did not want to transfer, the Service was to make a determination of whether the member possessed a skill needed by the Service in a mobilization. If the member did possess such a skill, he/she would be retained in the Standby Reserve. If not, the member would be discharged. Obviously, health professionals possess skills needed by the Services and Standby Reservists with these skills are not being discharged. This is demonstrated by the presence of over 9,900 doctors and an additional 6,800 health care professionals in the Standby Reserve.

HEALTH PROFESSIONALS

Senator EXON. In time of mobilization, how would the Department of Defense meet its mobilization needs for doctors? As I understand it, there is not even standby induction authority to induct doctors.

Answer. Currently, DOD's primary reliance is on the Ready Reserve to meet physician mobilization needs. However, even with the mobilization of all reserve categories (Ready, Standby, and Retired), physician shortfalls still occur. To enhance mobilization potential, the following actions are being initiated by DOD in an attempt to locate and obtain the additional physicians required to meet mobilization requirements: (1) intensification of efforts to recruit and retain physicians in the active and reserve components; (2) development of a voluntary plan for the rapid mobilization of physicians through the assistance of the American Medical Association; (3) formulation of policy for the inter-service assignment of physicians to alleviate time-phased critical shortages in specific specialties; (4) utilization of retired physicians in predesignated positions; (5) provision for standby legislation available to authorize the registration, classification, and induction of physicians; and (6) consideration of the feasibility for contracting civilian physicians to reduce critical specialty shortages.

Senator EXON. Mr. Brinkerhoff, since 1979, there have been various incentive programs for enlistment and reenlistment in the Selected Reserve. More recent incentives include an increase in educational assistance to $4,000 and a student loan forgiveness program under the educational assistance test program, initiated by Congress, to give up to 15 percent of outstanding student loans per year. How many people in the Reserves are taking advantage of this proposal?

Answer. As reported to the Congress in our 1st Quarter fiscal year 81 Incentive Report for the Selected Reserve, there are 149 personnel receiving educational assistance. This number is not representative of the impact of increasing the assistance to $4,000 in fiscal year 81 inasmuch as disbursement of funds is delayed until the Service member has successfully completed initial active duty training and skill qualification. Consequently, there is always a lag in reporting those who have enlisted for and are being paid education assistance. The loan repayment program was delayed in its promulgation to the field due to the lateness of the fiscal year 1981 Appropriations Act. Therefore, at this time, there are no data to support the participation in this program. It should be noted that the 15 percent or $500 "forgiveness" will not be paid until an individual has satisfactorily completed a year's participation in the Selected Reserve and that actual repayments cannot occur before 1 October 1981.

Senator EXON. Mr. Brinkerhoff, last year I was pleased to offer an amendment in this subcommittee, which was subsequently enacted into law, to provide for a Reserve affiliation bonus. This bonus is calculated on the basis of $25/mo for each month of remaining Military Service Obligation for an individual who leaves active duty and joins a Selected Reserve unit for the full period of his remaining Military Service Obligation. What has been the effect of this Reserve affiliation bonus?

Answer. Like the loan repayment program, the Selected Reserve affiliation bonus was delayed in its promulgation to the field because of the lateness of the enactment of the fiscal year 1981 Appropriations Act. Accordingly, there is no data available at this time with which to respond to your question. However, I would like to add that we fully expect this bonus to attract many additional trained individuals to the Selected Reserve.

RESERVE COMPONENT ATTRITION

Senator EXON. Mr. Stone, according to your statement, attrition in Reserve components has been the major cause of strength shortages in the past. What is the attrition in each of the Reserve components over the contractual period and how does this compare to attrition for active duty components?

Answer. Attrition has been a major cause of strength shortages and personnel turbulence. It is not possible at this time to obtain accurate comparable attrition data on each of the Reserve Components because we do not currently have a data base nor an information management system that can provide such information. The Department of Defense did manually produce an estimate of attrition for fiscal year 1976, which indicated that 60 percent of an initial group of enlistees had dropped out by the end of the third year of a 6-year term. Examination of gains and losses since 1977 indicates that attrition has improved; however, precise measurement and comparison of components must be delayed until development of the appropriate tools.

On February 1, 1981, we provided the House Armed Services Committee a Report on Enlisted Attrition from Selected Reserve Units. Included in this report was a summary of a 10-point program to reduce attrition and improve retention. One of the major programs is to develop an attrition data file which will cover individuals who enlist at a given time in all Reserve Components, and track them throughout their service in any Reserve Component. This cohort tracking system will provide an accurate measurement of attrition, which will permit management to identify trends and compare losses within and between the components over time. We hope to have this system operational and providing useful information before the end of this fiscal year.

Senator EXON. You mention that part of the program that you now have to control attrition is "new sanctions to assure contract completion". What are the sanctions that you are now using?

Answer. The current congressionally-authorized sanctions for unsatisfactory performance of Reserve Component training are involuntary assignment to active duty to complete a total of 24 months of active service, or involuntary assignment to active duty for up to 45 days for training. Both of these sanctions prove to be unsatisfactory in the all-volunteer environment, primarily because active service should not be used as a punishment. Furthermore, involuntary active duty has proven to be expensive, difficult to manage and has not proven effective in reclaiming unsatisfactory participants. A part of the 10-point program mentioned earlier deals with developing effective sanctions. For example, DOD has prepared and is coordinating with the Services a legislative amendment, which if enacted will assure satisfactory participation on the part of members of the Ready Reserve. It authorizes the President to discharge from the Ready Reserve only those members who have satisfied the terms of their contract in regard to satisfactory participation as well as length of time. Our goal is to encourage the desired behavior, which is active, satisfactory performance through the obligated term, or at least retain a trained member in the Ready Reserve until we feel the person is no longer a mobilization asset.

REQUIREMENT FOR INDUCTEES

Senator EXON. Last year the Department of Defense stated requirements of delivery of personel were the first inductees by 30 days following the decision to mobilize (M-Day), 100,000 inductees by M+60, and 650,000 inductees by M+180. The committee concluded that a post-mobilization plan would be insufficient to meet these requirements.

Mr. Stone, on page 15 of your statement you refer to the fact that the Selective Service System now can provide about 100 000 by about M+30 days. As I understand it, last November 10, the Department of Defense changed the stated requirements for inductees. Is that true? What are the current requirements? When do you need the first inductees? How many do you by need by M+30? How many by M+60? How many by M+180?

Answer. Last November the Department of Defense provided the Selective Service System a new mobilization schedule for inductees. We asked the Selective Service System to be able to provide the first inductees by M+13 days and 100,000 inductees by M+30 days. The schedule for inductees after M+30 days will be determined after a decision is made to mobilize (M-Day) and will be based on training capabilities and on the rate at which individuals volunteer for military service during the early days of mobilization. However, the daily delivery schedule for increases after M+30 is not expected to exceed the daily rate currently planned for the period M+13 to M+30.

QUESTION SUBMITTED BY SENATOR SAM NUNN

ARMY TRAINING BASE CAPACITY

Senator NUNN. Mr. Stone, the Selective Service System can now deliver 100,000 inductees by M+30. How many trainees can the Army Training Base now absorb? How many volunteers do you assume will be entering the training base as well?

Mr. Stone, on page 12 of your statement, you indicate that resources have been requested in the Fiscal Year 1982 budget to provide additional weapons, supplies and equipment for mobilization training to develop mobilization programs of instruction and to buy additional stocks of uniforms that would be needed to start the individual training. What does this say about our capacity now? How many people could the Army train now in the six months following mobilization? How many would they be able to train once the resources contained in the Fiscal Year 1982 budget have been provided?

What are the dollar amounts associated with these Fiscal Year 1982 requests? Where are they contained in the President's budget?

Answer. The mobilization capacity of the Army training base, based upon available training cadre and emergency billeting plans, is 133,000 new trainees during the first month following mobilization:

Capacity by M+30 days

Sources of input:	
Draftees	80,000
Volunteers	8,000
Delayed entry program	20,000
Reservists awaiting training	4,000
IRR requiring reclassification	21,000
Total	133,000

The Army currently is equipment constrained in two respects in meeting this capacity. First, there exist inadequate levels of individual weapons, clothing, and equipment to accommodate these large numbers of trainees. To remedy that situation the Army's fiscal year 1981 budget request includes funds for refurbishing weapons and purchasing individual clothing and equipment that would allow the Army to have enough for a training input of over 90,000 of the 133,000 new trainees in the first month after mobilization. Second, there is a shortage of unit equipment for post-mobilization training. The Army does not now have enough equipment to provide fully for mobilization level of training, to equip early deploying units, and to replace equipment consumed in the high intensity conflict we assume would take place in Europe. Thus, if the Army accepted 133,000 trainees and made a decision that replacement of unit equipment for front line forces was more important than providing available equipment to the training base, the quality of training would suffer unacceptably. We estimate that, if additional equipment were not made available to the training base in time of emergency, only 83,000 soldiers could begin training in the first month after mobilization if minimum training standards were to be maintained. By the end of the first six months following mobilization, the input capacity of the training base totals 666,000, based upon available training cadre and emergency billeting plans. If additional equipment is not made available, only 364,000 new soldiers could begin training by M+6 months. The following budget requests relate directly to the mobilization training base:

Proposed funding fiscal year 1982 budget

	Millions
Budget item (location):	
Indiv. clothing/equipment (P.I.–G60 and 61)	34.000
Eng Plans (p. 95–58)	4.159
Trainee rifles (p. 73–17)[1]	10.714
Training specialists (p. 81–75 through 77)	.254

[1] Now identified with different maintenance program due to early execution of rifle refurbishing.

These resources will permit us to provide new soldiers who begin training in the first month after mobilization with urgently needed individual clothing and equipment, rifles, improved plans for emergency housing and better combat arms training programs.

Once resources provided by the fiscal year 1981 budget supplement and the fiscal year 1982 budget, as amended, have been received; the capacity of the mobilization training base will be increased. The substantial procurement increases provided to the Army will produce equipment sooner for all claimants, to include the mobilization training base. The precise changes in training base capacity brought about by these increases have not been calculated due to the complex relationships among high-priority claimants for Army equipment upon mobilization.

Senator JEPSEN. Thank you very much, gentlemen. The meeting is adjourned.

[Whereupon, the subcommittee adjourned at 4:45 p.m.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

TUESDAY, MARCH 17, 1981

U.S. SENATE,
SUBCOMMITTEE ON MANPOWER AND PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

MILITARY COMPENSATION

The Subcommittee on Manpower and Personnel met in open session at 2:21 p.m. in room 212, Russell Senate Office Building, Senator Roger W. Jepsen, chairman, presiding.

Present: Senators Jepsen, Cohen, and Nunn.

Staff present: Ronald F. Lehman, Anthony J. Principi, and George F. Travers, professional staff members; Richard D. Finn, and Ralph O. White, Jr., research assistants; and Jacquie S. O'Grady, staff assistant.

Also present: Jim Dykstra, assistant to Senator Cohen; Jon A. Schreiber, assistant to Senator Denton; Gray Armistead, assistant to Senator Byrd; Arnold Punaro, assistant to Senator Nunn; Greg Pallas, assistant to Senator Exon, and Dennis Malloy, assistant to Senator Quayle.

OPENING STATEMENT BY SENATOR ROGER W. JEPSEN, CHAIRMAN

Senator JEPSEN. The Manpower and Personnel Subcommittee hearing on military compensation will come to order.

To those of you who have been waiting so patiently I extend my apologies for the lateness of the opening of the session. With all the quality folks we have here I am sure we will make up for it as we get into the session.

For a number of years the issue of compensation has dominated many of our discussions on military manpower. It has become an emotional issue, one often caught in the crossfire between the proponents of conscription and the advocates of the All-Volunteer Force. It has grown more complex each year, encompassing a myriad of pays, benefits and bonuses designed to meet the needs of all the services to grow and maintain their forces.

In 1970, the Gates commission composed of such eminent individuals as Milton Friedman, Alan Greenspan, Father Theodore Hesburgh, and General Norstad wrote of our compensation system:

> Military pay today is a conglomeration of current and future pay and benefits that are difficult to enumerate and even more difficult to measure and evaluate. Military pay lacks visibility, it functions as a continuous source of controversy. It is inequitable. It is inefficient in attracting and retaining desired personnel.

Today, 11 years later, the nature of our military pay system has not changed all that much. It has grown more intricate and contentious as we seek to resolve the manpower weaknesses and shortfalls that plague our military with short-term solutions. There is no question that these initiatives have been necessary to insure that aircraft squadrons, submarines, and combat forces are adequately manned during a period of increased tensions. My concern, however, is for the long term and whether we will be able to address these problems in the same manner without diminishing the goal of attracting, retaining and motivating the kinds and numbers of people the uniformed services need.

The military will be confronted with an improved economy and a 20-percent decline in the number of service eligible youth during the eighties. Can we meet the manpower challenges that lie ahead, and if so, what will be the cost?

ENLISTMENT BONUS

Just recently we were told of the need to dramatically increase the enlistment bonus for critical skills from $5,000 to $10,000. Just 7 months ago the level stood at $3,000. The critical skills include young 18-year-old high school graduates needed for combat arms. Reenlistment bonuses for reenlisted nuclear power trained personnel are being paid at the maximum $20,000 level. It is important to know whether the bonuses and incentives are achieving the desired goals and the effect they have on the nonrecipient service members who devote the equally arduous hours of work and family separation.

Recently in conjunction with my responsibilities as chairman of the Manpower and Personnel Subcommittee, I traveled for 7 days throughout the U.S. Army Europe Command area in West Germany. The trip gave me an opportunity to speak with service members and dependents on issues important to them. Compensation related items were foremost in their minds. To the last person they were all deeply appreciative of the recent efforts, not only in terms of the actual increased pay and benefits, but more importantly, in the positive attitude of the American people, as expressed through their representatives, that we care and are mindful of their sacrifices.

This change in attitude has brought on a new day for the military and one that we cannot afford to let slip from our grasp. This attitude must continue, but we must proceed deliberately and with full knowledge of the facts and statistics upon which to base our decisions. We must be mindful that many sectors of our society are being asked to make sacrifices for the common good.

In recognition of our military's faltering capabilities the Defense establishment has been spared from the limits in growth mandated for the other Federal agencies. This does not mean, however, that we should not be prudent in exercising our responsibilities.

More than ever it is imperative that the military strive to improve its personnel management practices and to carefully scrutinize all of its internal regulations and procedures governing the expenditures of taxpayer dollars. Every time you seek to increase the budget a concurrent look at economies should also be made. Where necessary you should advise us on legislative changes which will ultimately result in savings of Government funds through efficiency. In fiscal year 1982 the Department of Defense will spend approximately $70 billion, or about one-third of all its outlays, on military manpower; $70 billion and we still have tremendous manpower problems.

MEDICAL CARE BENEFITS

There are two areas that I wish to address before concluding my statement. They are medical care benefits and permanent change of station entitlements.

I mention them for two reasons: First, because they are the source of much dissatisfaction among service members and dependents and, second, because I believe they are just two examples of where the Department of Defense can exercise greater efficiency.

Every service member, especially those with dependents, is deeply concerned with adequate medical care. Unfortunately, their level of expectation when they enlist into the service is far higher than the level of reality. For some direct health care in military facilities entails long waiting lists for appointments and concern over the quality of care.

For those stationed at remote sites and away from military hospitals, they are confronted with the costs associated with the CHAMPUS program. In view of the extremely low physician participation rate, 20 percent coshare payment and $50 deductible, members find that the costs can be excessive, especially when their more fortunate contemporaries near military medical facilities incur no costs at all. Although last year's physician pay bill should attract and retain more doctors, we simply cannot compete with civilian salaries.

It is therefore incumbent upon us to find new and innovative ways to improve our health care system. Expanded use of physician assistants and nurse practitioners would help to alleviate the doctor shortage. Greater efficiency in direct health care might be accomplished by making it more competitive with the CHAMPUS program.

Elimination of the requrement for nonavailabilty statements and greater intergovernmental sharing of health facilities and resources could improve health care benefits while freeing up dollars to spend in other areas.

PERMANENT CHANGE OF STATION

PCS moves have always been a difficult time for service members and their families. The constant uprooting every few years and the costs associated with moving to a new duty station create an undue hardship for many. Last year's successful efforts to increase per diem and mileage allowance have greatly lessened the burden. This year we are being asked to consider, among others, temporary housing expenses and a house hunting trip for service members. These matters will receive our utmost consideration.

I am concerned, however, with the enormous amount of money that is budgeted for PCS travel and moving of household goods for people separating or retiring from the service. It is my understanding that in fiscal year 1982 the military will spend approximately $500 million to accommodate these moves. The current law provides the military with the option of paying travel allowance to separating personnel regardless of whether they actually travel or not.

Today, in addition to all the costs associated with the All-Volunteer Force, the services have chosen to automatically provide this advance travel allowance to anyone separating or retiring from the service. Based upon the DOD joint travel regulation this allowance is also paid without question to individuals who do not complete their initial enlistment for any of a variety of reasons, such as misconduct or unsuitability.

At one point during the sixties when travel pay and moving expenses were very low it may have been cost effective to do so. In view of today's 18.5 cents per mile and exorbitant moving costs, perhaps a fresh look at this expenditure should be taken. Additionally, the military affords members a 1-year grace period to move household goods to the home of record or the place elected by the member, subject to the member paying only those costs which exceed the costs to the home of record.

Under this provision a former service member who elects to remain in the area where discharged can have the Government pay all costs associated with moving into a new home a year later regardless of whether the move was service related or not.

I would hope that the military would carefully review these provisions to determine whether any changes to the law and DOD regulations might be appropriate, especially in view of the significant increases in PCS spending that are being allowed.

We are pleased to welcome back before the subcommittee Maj. Gen. Dean Tice, Deputy Assistant Secretary of Defense for Military Personnel Policy; Rear Adm. James Hogg, Director Military Personnel and Training Division, U.S. Navy; Maj. Gen. Mary E. Clarke, Director of Human Resources Development, U.S. Army; Maj. Gen. William R. Usher, Director of Personnel Plans, U.S. Air Force, and Brig. Gen. Anthony Lukeman, Director, Manpower Plans and Policy Division, U.S. Marine Corps.

Again, welcome, and we are sorry for the delay in opening.

Senator Cohen, do you have an opening statement?

Senator COHEN. No, Mr. Chairman.

Senator JEPSEN. General Tice, you may proceed.

STATEMENT OF MAJ. GEN. R. DEAN TICE, U.S. ARMY, DEPUTY ASSISTANT SECRETARY OF DEFENSE, MILITARY PERSONNEL POLICY, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE, MANPOWER, RESERVE AFFAIRS AND LOGISTICS

General TICE. For our order of presentation, I will make a short opening statement, followed by a short presentation of some slides and graphics and then I would like to ask each of the service representatives to make a short statement. If that meets with your approval?

Senator JEPSEN. It does. You may proceed.

General TICE. Mr. Chairman, members of the committee, I am Maj. Gen. R. Dean Tice, U.S. Army, Deputy Assistant Secretary of Defense for Military Personnel Policy, Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics).

It is a pleasure to appear before the committee in order to give you the views of the Department of Defense regarding our approach to military compensation problems and to discuss with you related personnel matters.

There have been several significant reviews of military compensation during the past decade. Among these were the Third Quadrennial Review of Military Compensation which was completed in 1976, and the President's Commission on Military Compensation, which was completed in 1978.

In 1979, the Secretary of Defense expressed his concern over the adequacy of military compensation, and subsequently directed that a pay adequacy study be convened. This study was not intended to supplant a full-scale review, but rather it was to more narrowly address specific compensation issues as they related to the adequacy of military pay, and our accession/retention efforts. As the decade of the seventies progressed, these and other studies indicated a rapidly worsening compensation situation.

Among the most significant findings of the 1979 pay adequacy study were indications that (1) in relation to the general public, service members had lost between 7 to 20 percentage points in terms of real purchasing power; (2) the range of housing costs incurred by service members in the contiguous United States varied from slightly below to nearly twice as high as the basic allowance for quarters [BAQ]; and (3) the costs connected with a permanent change of station [PCS] move were not nearly covered by available reimbursements.

These and other compensation disparities were increasingly identified as reasons for unsatisfactory retention rates, particularly among second and third-term personnel who were leaving the services in increasing numbers. It was clear to the Department and to many Members of Congress that immediate corrective action was required.

MAJOR BILLS ENACTED

By the time the 96th Congress had adjourned, three major bills had been enacted, vastly improving the circumstances of our service members. These were the Department of Defense Authorization Act for 1981, the Military Personnel and Compensation Amendments of 1980, which included the Nunn-Warner amendment, and the Military Pay and Allowances Benefits Act of 1980.

These bills contained over 20 significant provisions affecting many aspects of the overall compensation picture. In enacting these bills, the Congress has done much to restore viability to military life as a career option. On behalf of the Department and the Military Establishment, I wish to express my sincere appreciation for your efforts.

The compensation improvements that we are now proposing include initiatives for some of the more obvious and previously documented deficiencies, and other problem areas which are not so apparent. Please be assured that we in the Department of Defense are keenly aware of the present fiscal climate. Accordingly, we intend to subject our proposals to rigorous evaluation and analysis, and we will be forthright and candid as regards the relative priority we assign to the various initiatives. The highest priority will be given to those proposals that we believe are necessary to attract and retain the kinds and numbers of people we need to meet our manpower requirements. We know that our retention efforts have benefited considerably from the progress made last year.

It is too soon to quantify the results with an acceptable degree of accuracy, but the trends are encouraging. However, the fact remains that we still have serious deficiencies in military compensation. It is our view that, as a minimum, the following areas must be addressed:

We believe that military pay is still inadequate in terms of its ability to attract and retain sufficient numbers of personnel. Consequently, the administration's program for fiscal year 1981 includes a request for a special military pay raise of 5.3 percent effective July 1, 1981. We believe that this increase, in addition to the planned 9.1-percent increase for fiscal year 1982 is a major step towards restoring military compensation to appropriate levels.

Some of the more widely publicized provisions that were enacted last year actually affected relatively small numbers of personnel. Sea pay, for example, accrues to only about 19 percent of all naval personnel, which is only 5 percent of the total number of personnel in uniform. An across-the-board raise, however, reaches virtually everyone and is regarded as a clear positive signal.

The area of PCS reimbursement, which you adequately pointed out, Mr. Chairman, requires further attention. From the onset, one point should be made clear: The reimbursement that a member receives for expenses caused by a PCS move should not be considered as compensation to the member, although it is frequently misconstrued as such. Rather, these reimbursements should be considered due the member as reimbursement for the Government's "cost of doing business." The levels of reimbursement have been, and still are, insufficient to cover these expenses.

For example, based on actual costs developed by Runzheimer Co., Inc., and the American Automobile Association, the average required per diem rate in the United States is $60, and the cost of operating a vehicle is $0.25 per mile. We are reimbursing our personnel by using a monetary allowance of $0.07 per mile and a per diem of $35. Consequently, we have been passing on the Government's expenses to the member.

Because the present PCS reimbursement levels are inadequate, we have requested $91 million in the amended supplemental for fiscal year 1981 to increase the monetary allowance to $0.16 per mile and the per diem to $50, effective July 1, 1981. Our intention is to establish and maintain proper levels so that we do not wreak financial havoc on our members when we require them to move.

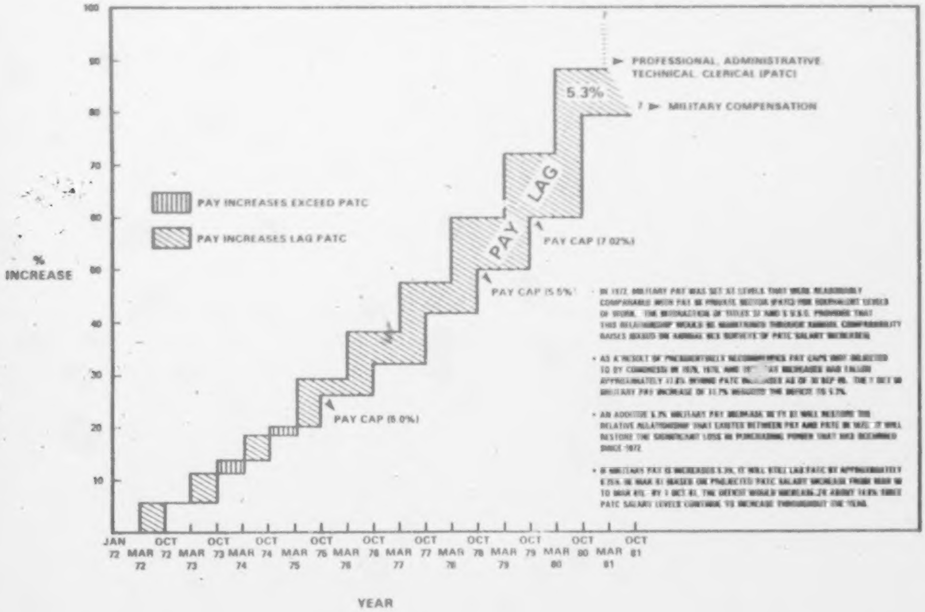
In the coming months, we will be reviewing many aspects of military pay to determine what increases will be required to attain and maintain comparability, and to recruit and retain the people we need. In this regard, we will be reviewing both new and existing legislative proposals in order to prepare the Department's legislative program.

We have budgeted $370 million for the legislative initiatives that we will support subsequent to the review now in progress.

Mr. Chairman, this concludes my prepared statement. I would again like to express my sincere appreciation for your past efforts and accomplishments in the area of military compensation. I will be pleased to answer any questions that you might have.

I would like to take a few moments to show our charts and graphs to you at this time. I think you have hard copies in front of you, sir, so that you can follow those along with the slides because I am sure the small print may be a little difficult to read.

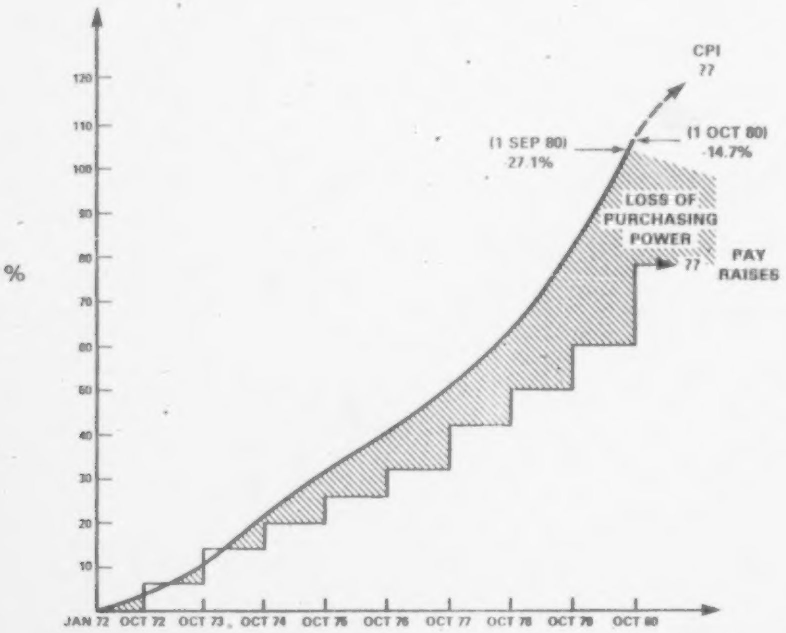
COMPARISON OF ANNUAL MILITARY COMPENSATION INCREASES TO PROFESSIONAL, ADMINISTRATIVE, TECHNICAL, AND CLERICAL WORKER SALARY INCREASES SINCE 1972



This first chart is a comparison of annual military compensation increases to professional, administrative, technical and clerical worker salary increases since 1972. As you know, in past years, in determining the percentage of the amount of increases we have been linked to the PATC, which is the professional, administrative, technical, and clerical workers. We picked 1972 because that is the start of the All-Volunteer Force; you can see that for a couple of years, in 1973 and again in 1975, the military compensation exceeded the levels of the PATC. However, because of the pay caps which occurred in 1975, again in 1978, and again in 1979, today we are approximately 5.3 percent behind the levels of the PATC schedule.

DECLINE IN PURCHASING POWER

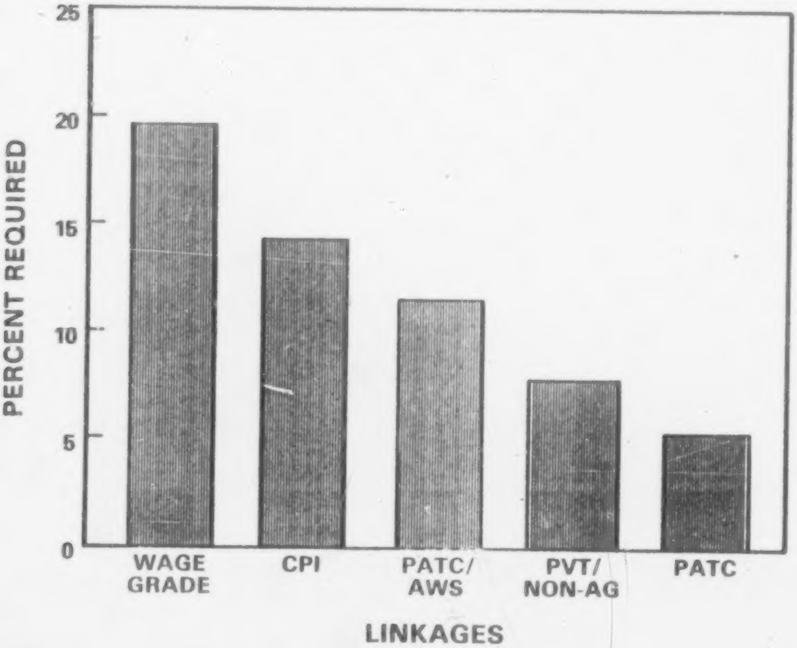
(JAN 72 - OCT 80)



In addition I would like to show you the loss of purchasing power. While we do not use the CPI index for linkage, I would like to point out here that in relation to CPI the purchasing power of our military personnel has been reduced about 14 percent since 1972.

Another way of looking at the relationship of military pay is to take the different categories of skilled workers comparable to those which we have in the armed services. The first, which I have already mentioned is the PATC which shows we are now 5.3 percent behind. The next column shows our relationship to the private nonagriculture workers. The next column shows a combination of PATC along with areawide surveys made by the Bureau of Labor Statistics, and you can see we are even further behind there and again on the CPI a little more than 14 percent.

INCREASE NEED TO RESTORE MILITARY PAY TO 1972 RELATIONSHIP



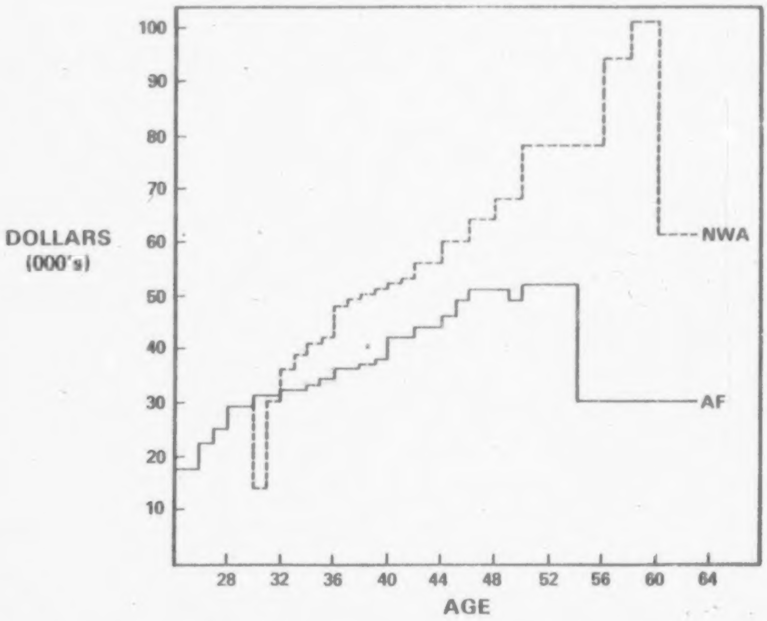
The wage rate is perhaps not a fair comparison in that it is basically the civil service blue collar worker. You can see that we are 9 percent behind.

We speak of comparability. I caution there is probably no precise answer with respect to the military service skills and their relationship to the civilian sector. However, we do say here for this definition that comparability is those conditions under which we have military members receiving adequate and equitable pay levels that we think are reasonably comparable to those provided in the private sector for equivalent levels of work experience and responsibilities.

Of course I would state this definition was intended only to show that the military pay levels established in 1972 were based on this assumption of comparability.

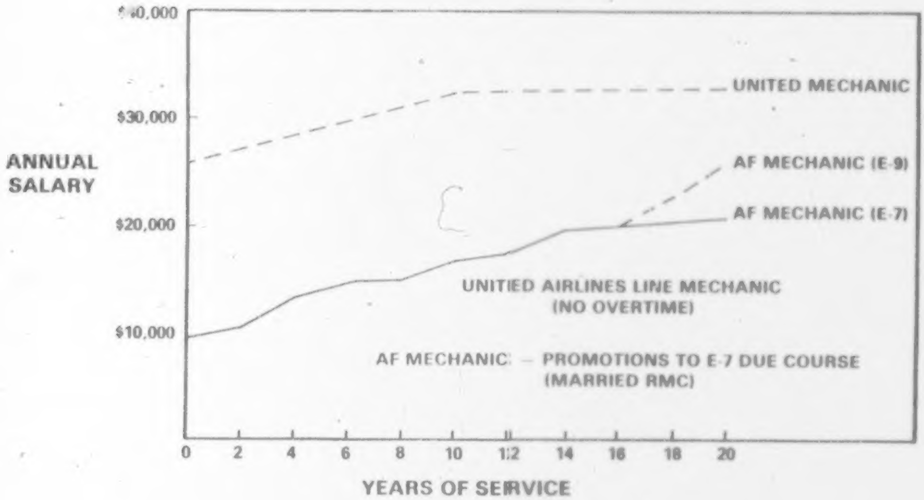
PAY COMPARISON: NORTHWEST AIRLINES VS. USAF PILOTS

(AS OF 1 OCT 1980)



I have a couple of examples that point out some of our shortage areas. We show here the pay comparison between a Northwest Air Lines pilot versus a U.S. Air Force pilot. Where we level off at the end of the chart is the age at which you would retire from service. With a 30-year career, most people retire from the armed services, especially the pilots, at about age 52 to 54 years of age compared to the civil air industry where they retire at 60.

ANNUAL SALARY COMPARISONS

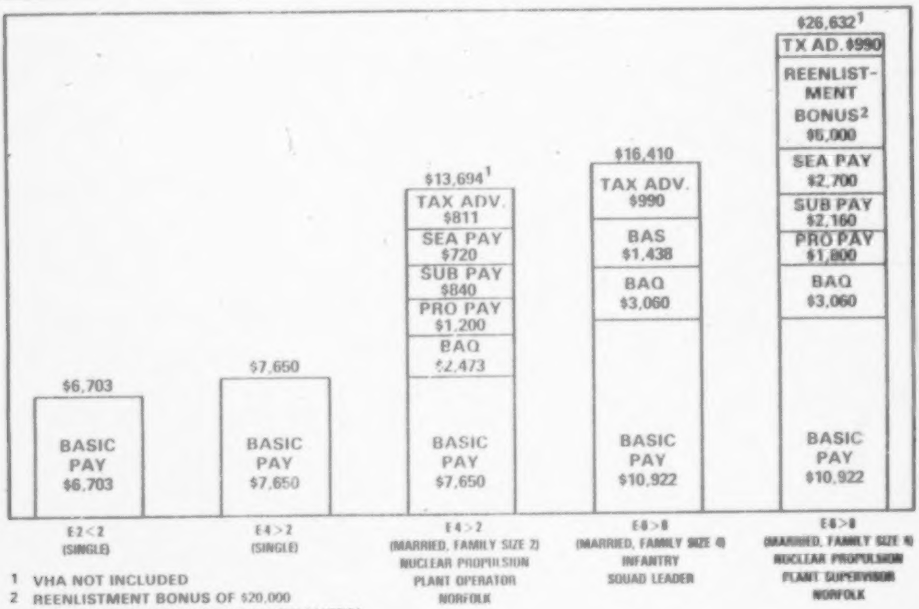


The next slide shows an enlisted example, the scale of the mechanic who works for United Air Lines compared to that of an Air Force mechanic E–7, or the highest grade of Air Force mechanic. While the United mechanic levels off pretty much after 10 years of service, you can see the very large disparity in the early years of service.

Senator Jepsen. Are these salaries the actual pay or do they include the total benefits?

General Tice. These are based on RMC, which does not include, say, health care. On these slides we have compared the RMC to the same type of wages as included in the RMC that the civilian employee would also receive. We are confident that the airlines also have health care benefits that they provide to their workers.

COMPENSATION RANGE — SELECTED ENLISTED EXAMPLES



1 VHA NOT INCLUDED
2 REENLISTMENT BONUS OF $20,000 FOR 4-YEAR REENLISTMENT (ANNUALIZED)

You asked that we show you some random levels of pay. I have picked perhaps the greatest disparity between the most highly skilled individuals we have in the Armed Forces versus what the average individual might receive.

On your chart we do not include the VHA and we do not include the BAQ. If you were to add that, and it is difficult to determine what 90 square feet in a barracks would be worth, we could plus up the E-4 with greater than 2 years of service. If we gave him the VHA in Norfolk he would be $745 a year over and above what we show here. His basic allowance for subsistence would be $1,438 and that is nontaxable. If you include those other three items his total pay would be $16,171, compared to the $13,426 shown.

The same is true if you move to the E-6 in the nuclear propulsion field. You would have to plus up that figure including those same three items to $30,100.

I should point out however, that there are only 11,000 enlisted personnel in the total nuclear program in the U.S. Navy. That comprises only 2 percent of the strength of the U.S. Navy.

Also, I should point out that there are 3,000 nuclear power or nuclear engineer officers in the U.S. Navy.

Senator JEPSEN. I realize that this is not across the board but some States allow some tax advantages?

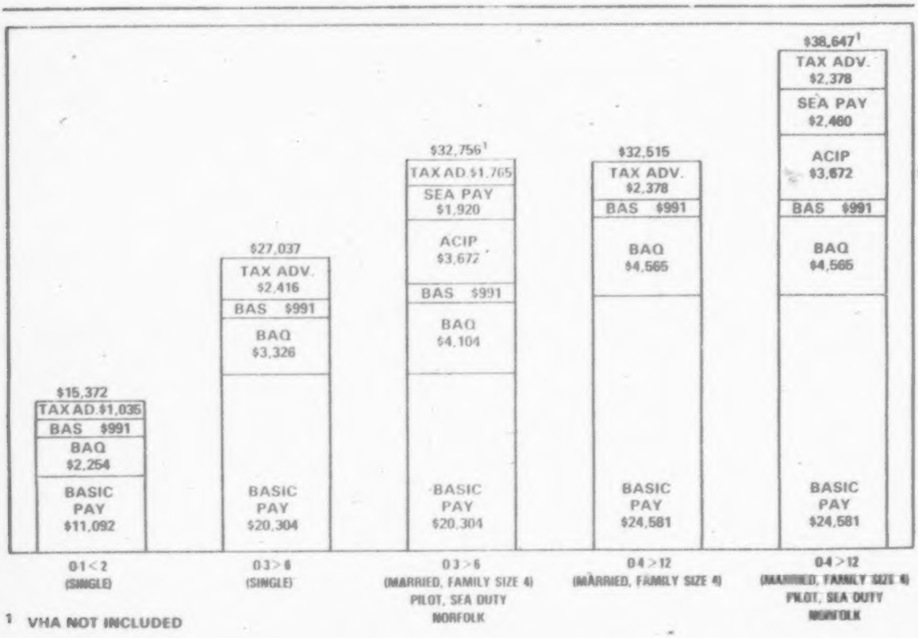
General TICE. There is no way that we have ability to compare an individual who might reside in Florida and pays no State income tax to one who may live in Kansas and would pay a scale from 2 to 4 percent.

Senator JEPSEN. Is the retirement included in this?

General TICE. No; retirement is not. The last figures that I gave you I included the BAS and BAQ.

Senator JEPSEN. Thank you.

COMPENSATION RANGES — SELECTED OFFICER EXAMPLES



General TICE. Likewise on the next chart I have shown some typical examples of the officer corps. I would ask you, sir, on the 0–3 if you would plus the top figure to $34,478.

That new total includes the VHA which would be $1,818 a year for an individual in Norfolk. The same is true on the pilot who is also at sea where he would be entitled to VHA for his family living in Norfolk. The top figure should be raised to $41,708.

Senator COHEN. You mentioned VHA being included under the O–3–6. If you factored the VHA into the pay comparability there is an item that appeared in the paper that indicated if you factored that in that the pay comparability gap would be 2 percent rather than 5.3 percent. Do you agree with that?

General TICE. I am not sure about the precise percentage, sir, but it would reduce it because the cost of the VHA at this time is about $600 million a year. Only 31 percent of our people stationed in the United States receive the VHA.

Senator COHEN. Apparently Mr. Robert Stone told the House Armed Services Committee that if you do include that, then the calculation would be reduced to 2 percent. I take it you don't disagree with that offhand.

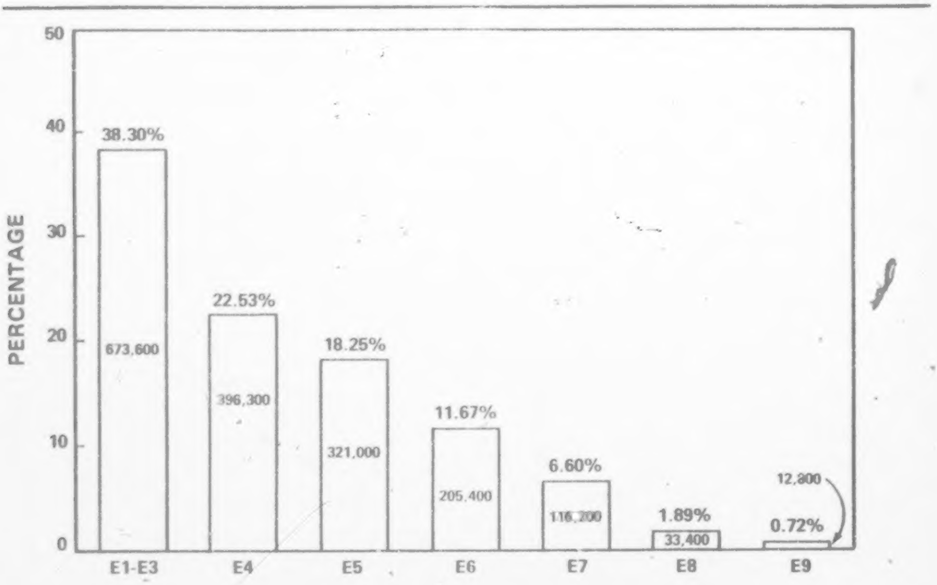
General TICE. No; I can provide for the record what that would be, sir.

[The information follows:]

VARIABLE HOUSING ALLOWANCE

The compounded stream of annual military pay raises from January 1972 to October 1980 is 5.3 percent less than the compounded PATC pay increases over the same time interval. The differential between military and PATC pay raises between January 1972 and October 1980 is reduced to about one percent if the measurement of military pay raises is the change in Regular Military Compensation (RMC). RMC changes include, in addition to the annual increases in basic pay, BAQ, and BAS, the Variable Housing Allowance (VHA), the 10 percent BAS increase of September 1, 1980, and the change in tax advantage.

DOD ENLISTED STRENGTH PERCENTAGES
END FY 80

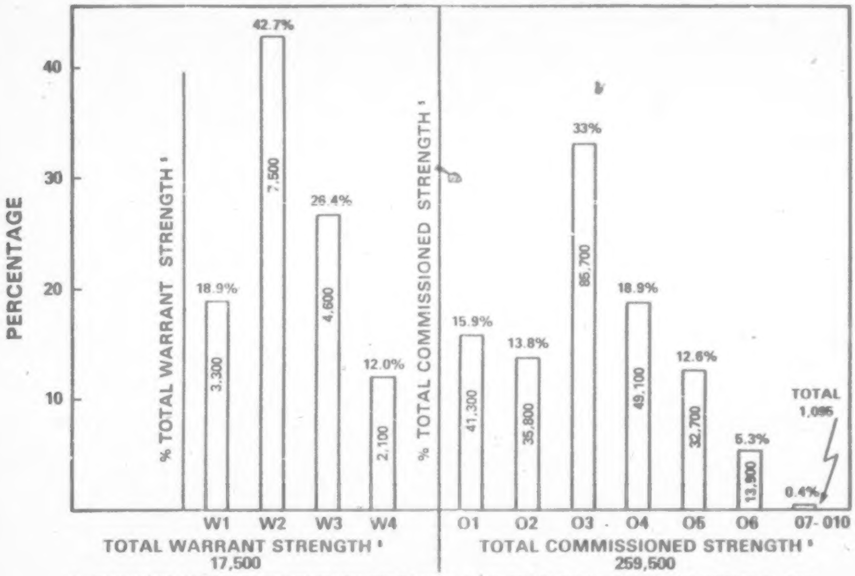


TOTAL ENLISTED STRENGTH = 1,758,700

General TICE. Lest we draw the wrong conclusions about the strength of our Armed Forces in the upper grades, I have shown here a distribution chart with the Department of Defense authorizations and strengths as of the end of fiscal year 1980.

As you can see, over 60 percent of those serving, serve in grade E–4 or below. It takes an average of 3 years to be promoted to E–5. But that will vary among the services. In those services where we have a higher attrition rate and greater turnover the time in grade could be shortened somewhat. On the other hand, in the Air Force, which has a more stable force, that time is extended. You can see that only 2.5 percent of the total enlisted strength serve in the top two grades.

DOD OFFICER STRENGTH PERCENTAGES[1] END FY 80

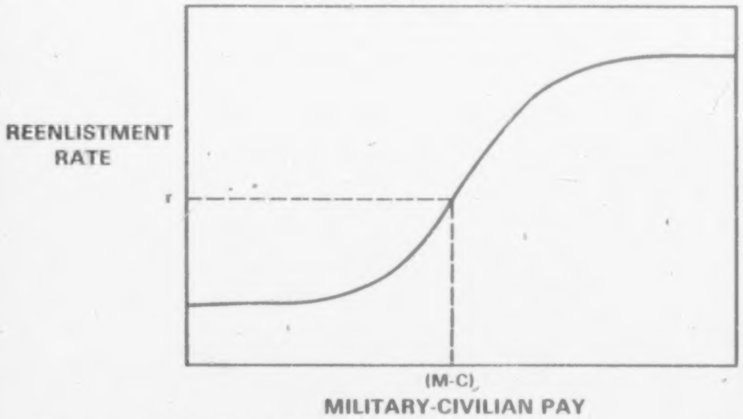


[1] EXCLUDES ACTIVE DUTY MILITARY PERSONNEL PAID FROM CIVIL FUNCTIONS, RESERVE, AND NATIONAL GUARD APPROPRIATIONS

On the next chart I have also broken out the warrant officers and officers of the total active force less those that are in civil functions. On the bottom of your chart, we show that the majority of the officers serving are serving in grades of second lieutenant, ensign, to captain and lieutenant senior grade, and that we have only 5.3 percent of the officer strength serving in the grade of O–6.

ACOL MODEL
(ANNUALIZED COST OF LEAVING)

LOGISTIC SUPPLY CURVE



WHERE:
- r IS THE REENLISTMENT RATE
- M IS A MEASURE OF CIVILIAN PAY
- C IS A MEASURE OF CIVILIAN PAY
- b IS A SLOPE COEFFICIENT, GIVING THE RESPONSE OF REENLISTMENT RATES TO PAY
- e IS A CONSTANT, EQUAL TO 2.72

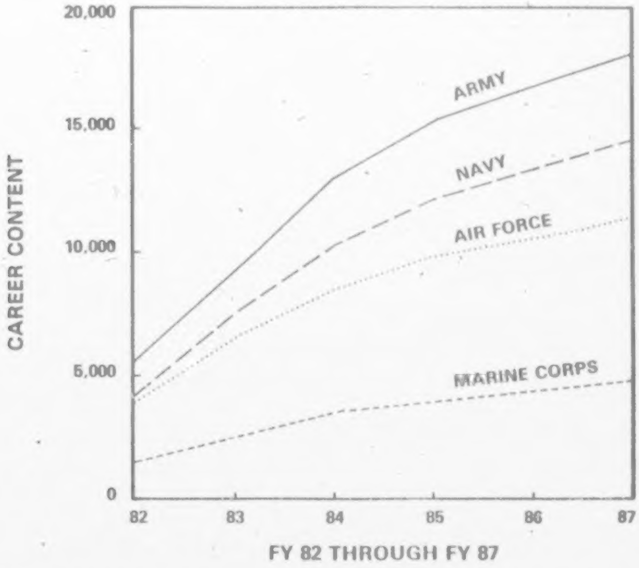
$$r = \frac{1}{1 + e^{-b(M-C)}}$$

Last, sir, it is very difficult to develop a model that would tell us what the incremental cost of retaining in the service additional personnel as it relates to compensation. When the Presidential Commission on Manpower and Compensation met in April 1978, the Center for Naval Analyses came up with what we call the annualized cost of leaving. That is to try to determine the elasticity associated with an increase in salary with increased retention.

I have explained each of the components in the equation. Basically, the minus-b is the elasticity we arrived at in determining retention and it varies between first term, second term, and third term. But by using this model we can relate the probability of increasing the retentiton in the Armed Forces associated with a percentage increase in pay.

We also have common terminology now in that the Congressional Budget Office and the Armed Forces have a common understanding about this model. If you look on the last chart, sir, I have translated that model of the 5.3-percent pay increase to show us what the end result will be.

PROJECTED INCREASE IN CAREER CONTENT DUE TO A 5.3% PAY RAISE



If this pay raise is passed on July 1 of this year we estimate between 10,000 and 15,000 more individuals will stay in the service in 1982 as a result of that pay increase. If you extend that rate out over our normal 5-year program, by 1987 about 49,000 additional careerists would remain in the service associated with that incremental increase of 5.3 percent in military pay.

Again we standardize and for the purpose of projection to assume that the normal pay raises would come along so that we can do this comparison.

Senator COHEN. Will you go back to the chart 4 and explain that model to me again?

General TICE. The "R" on the vertical——

Senator COHEN. Where did you get the 2.72?

General TICE. The 2.72, sir, is a logarithm in order to have a standardized equation that is entered into the computer.

Senator COHEN. I see. [Laughter.]

Senator JEPSEN. I think your diction is far too copious for us to make that distinction.

General TICE. I am a layman in that area, too. It is a mathematical formula. In order to have a constant in the equation you must have a logarithm that you can use to show the marginal change that will occur with reference to the investment of the money over a period of time.

The reason that curve levels out at the top, once you retain about 90 percent of your force you don't retain more, no matter how much you pay. The area that we are working on right now is on that very steep side of the slope. That is why we are predicting that over the 5-year period we will be able to retain about 49,000 additional people.

You can also translate that, sir, into either the numbers of people that you would retain or you may retain fewer individuals of higher quality. That is an area that we think we can make some great strides in.

Senator COHEN. I wondered if Jack Kemp had anything to do with that curve.

General TICE. I am not sure, sir. I can tell you who worked it up. It was Mr. Warner who worked for the Center for Naval Analyses, an analyst and economist. The quantitative analysis was derived from this formula. It has been accepted by those experts in that field.

Senator COHEN. I have spent a year trying to figure out the Laffer curve. Now I have to go to work on this.

General TICE. You take the difference on the elasticities that I talked about on the minus-b, which is an indicator there, for a first term reenlistment and we find that a 1-percent increase in pay obtains a 1.9-percent increase in retention. In the Navy it is 2.4 percent.

So, the services don't react the same to those same levels of pay.

Then they change also in the career area. For example, in the third term reenlistment that same kind of pay raise where you obtain the flat level of the curve, you actually retain 1 for 1 or a little less than 1 for 1.

As I explained, when 90 percent of the people are reenlisting that is about the maximum you can take.

I certainly did not present that, sir, to create any consternation on your part but rather to let you know that we are trying to use a methodology available to us to have some kind of idea of how many additional careerists are kept in relationship to the increased amounts of money that we spend on pay.

Of course the unknown factors that influence retention are the rate of unemployment, the economy and all those things that we call the *x* factor that influence the career choices for those who are serving in the Armed Forces.

Senator COHEN. You are not causing me consternation, just confusion at this point.

Let me go to the last vugraph that you had. You are saying based on this formula that you have divided in terms of the retention rates of people in the service based on these factors of military-civil pay scales and an assumed 5.3 pay raise projected in the future you have this reverse Laffer shaped curve. You, on the last page, project that you will have these sorts of retention rates on different services taking into account what the response is for each individual service.

General TICE. Yes, sir.

Senator COHEN. Part of the confusion, for me at least is that one is in dollars and one is in percent, there is nothing to indicate on the chart.

In other words, if you look at that square it does not tell me anything.

General TICE. Yes, sir, the formula is listed in the lower right-hand corner. The reenlistment rate is equal to 1 over 1 plus E, which is the logarithm that we put in the computer, minus "b," which is really the elasticity.

Senator COHEN. That is what I am getting at. Is the pay in dollars and reenlistment rate in percent?

General TICE. Yes; it is.

Senator COHEN. That is not clear from this chart.

General TICE. I am sorry, sir.

Senator JEPSEN. Staying with this 1 minute, if I understand correctly, because of a lot of unknown factors this whole thing is sort of an unknown educated guess because it does not take into consideration factors like unemployment, morale.

General TICE. No; on our projections we assume that those remain constant.

Senator JEPSEN. Of course, they don't.

General TICE. No, sir. I don't know anybody that can predict what the unemployment rate is going to be next year or 3 years from now.

Senator COHEN. To get a measure of predictability do you go back and compare that to what has taken place in the past 10 years based on certain types of pay raises?

General TICE. Yes, sir., this is an analysis of the past history as projected against what we know today. Of course, you can understand the number of components that go into arriving at that figure.

Senator JEPSEN. The point I am making is that the analysis was made just on the analysis of pay plus the result.

General TICE. That is right.

Senator JEPSEN. It did not take into consideration any outside factors at all.

General TICE. No: the only assumption we made in projecting out over the 5 years is the normal pay raises which would occur and you stay relatively comparable or competitive just as we are today.

Senator JEPSEN. That may be just as good as any. I am not trying to find fault with it but I am trying to understand it.

Senator COHEN. You could take, for example, the Navy aviators. If you increased their flight time you might get a higher amount of pay, you might get a higher retention rate than without it. Is that right?

General TICE. Those values are difficult to put in a mathematical formula, sir. This analysis was developed as the result of a study of pay history. We take past results and try to project them into the future.

General TICE. At this time, sir, I would like to ask the service representatives to make their statements.

Senator JEPSEN. Please.

STATEMENT OF MAJ. GEN. MARY E. CLARKE, DIRECTOR OF HUMAN RESOURCES DEVELOPMENT, OFFICE DEPUTY CHIEF OF STAFF FOR PERSONNEL

General CLARKE. Mr. Chairman, I appreciate your asking me to testify today.

I have no opening statement. However, I have a formal statement that I would like to submit for the record.

Senator JEPSEN. It will be submitted as if you read it.

[The prepared statement of General Clarke follows:]

PREPARED STATEMENT OF MAJ. GEN. MARY E. CLARKE, DIRECTOR OF HUMAN RESOURCES DEVELOPMENT OFFICE, DEPUTY CHIEF OF STAFF FOR PERSONNEL, DEPARTMENT OF THE ARMY

In the area of compensation and entitlements, I will cover those items that are the primary focus of our attention. First, all soldiers greatly appreciate the significant and long sought improvements in compensation enacted by the 96th Congress. As you know, the military compensation system alone will not attract and retain the quality force being sought but can have considerable impact on the desired manning of the force.

We feel that compensation programs/initiatives are fully justified on the basis of need. We realize that there is no inexhaustible source of funds. So, we have made our analysis to achieve an improved program—one that meets the needs of the Service, careerists and entry level soldiers, while recognizing the needs of their families. As Lieutenant General Yerks, Deputy Chief of Staff for Personnel, United States Army, said, "We recruit a soldier; but, we retain a family."

These are the programs we are seeking to establish or upgrade in furtherance of our commitment to the success of the All Volunteer Force (AVF). In the compensation: (1) An interim 5.3 percent across-the-board pay raise to restore the relative pay parity that existed at the inception of the AVF in 1972. Although this increase will not recover the loss of purchasing power experienced because of pay caps and pay reallocations between 1972 and 1980, it will decrease the artificial lag caused by those pay caps. (2) Adoption of an annual pay adjustment mechanism which relates the military personnel skills to an appropriate private sector index factor. As you know, the President is to recommend such a mechanism by 1 April 1981. OSD is conducting a Joint Service effort to address this issue and make recommendations. (3) Relief of the pay compression created at the inception of the AVF by disproportionate increases that were granted in basic pay of entry level soldiers relative to the careerist. The Army is conducting a study of the pay system in which relief from pay compression is an item being addressed.

It should be recognized that, by definition, we are now shifting from service member compensation to reimbursement for out-of-pocket expenses that soldiers incur when complying with officially ordered movements to new duty stations. In other words, recompense for what rightfully is and should be the Army's cost of doing business which are now borne without reimbursement by our soldiers. A common basis for reference is the recent GAO report, Code 963131/OSD Case 5556, 21 Oct. 80. Major revisions to travel reimbursements provided to military personnel are needed to eliminate the current disparity in entitlements between uniformed personnel and Federal civilian employees and to help offset the significant out-of-pocket expenses incurred in compliance with official permanent change of station orders.

In summary, these programs deserve immediate attention, quick comprehensive review, and support; a military pay system that aligns pay with service member excellence, experience, and level of responsibility; achieve a stable compensation system that is not subjected to pay caps or basic pay reallocation; and realistic permanent change of station reimbursement that recognizes the expenses incurred by soldiers who are complying with officially ordered moves.

Although these programs are separable, none of them alone will resolve the difficult problem of how to attract and retain high caliber soldiers. The significant increases in military compensation in 1980 and the recent limited successes in recruiting and retention may have created the perception that further improvements are unnecessary or should await results of more study. However, a strong commitment by the Congress is needed to follow through on additional compensation and reimbursement improvements this year and beyond to replace mid-career and senior personnel losses already incurred and to restore healthy readiness levels if the Army is to permanently reverse the adverse manpower trends of the 1970s.

Senator JEPSEN. Gen. William R. Usher.

STATEMENT OF MAJ. GEN. WILLIAM R. USHER, DIRECTOR OF PERSONNEL PLANS, U.S. AIR FORCE

General USHER. I have a formal statement I would like to submit for the record. Then if I may I would like to make three or four very brief points.

Senator JEPSEN. Your statement will be inserted in the record as if read. You may proceed.

[The prepared statement of General Usher follows:]

PREPARED STATEMENT OF MAJ. GEN. WILLIAM R. USHER, DIRECTOR, PERSONNEL PLANS, DEPUTY CHIEF OF STAFF, MANPOWER AND PERSONNEL, U.S. AIR FORCE

AIR FORCE MILITARY PERSONNEL COMPENSATION

At the outset, I would like to say that we all owe a large debt of thanks to the Congress for its action last fall in approving the most important military compensation initiatives in nearly a decade. Your decisive actions last year sent a clear signal to military people that the Nation recognized the extent of their personal and financial sacrifices in the service of their country. The response from our members has been very positive, and we have seen substantial improvements in our retention statistics during recent months.

While there is a natural tendency to hope that the worst of the problem may be behind us, and I share the optimism about our resurgent retention rates, mine must be a qualified optimism. We can, in fact, attract and retain the kinds and numbers of dedicated people we need to sustain a viable career military force . . . if we uphold our end of the reciprocal commitment upon which the all-volunteer force is based—the commitment to provide military members with an adequate standard of living at least comparable to that enjoyed by other Americans. This may prove to be one of the single most important issues our Nation faces in the 1980's, and I would like to give you my perspective on it.

The underlying principle in the Air Force philosophy of compensation is to explicitly recognize that the military is a unique calling—we impose extraordinary demands on our people and insist that they be disciplined in a society where individual freedom is highly valued. They must maintain an acute sense of purpose or mission in a society that questions and debates the values of our institutions and national goals. They must surrender elements of freedom in the freest and most prosperous country in the world and endure extraordinary conditions of service such as enforced family separation, overseas service, overtime without pay, duty in hostile climtaes and environments, committing themselves to an unknown future, and laying down their lives, if necessary, in the Nation's service.

The Air Force philosophy of compensation is meant to nurture these values, enhance morale, and provide us a cohesive force that is ready for war. To do this, we know we have to provide a reasonable standard of living comparable to that afforded other Americans, along with a strong system of institutional supports to help offset the unique conditions of service and develop the teamwork we need to accomplish the mission. We do this through special indirect compensation features like commissaries, exchanges, medical care, and other programs that develop a sense of belonging to a unique community.

While the principal foundation of our compensation system is to provide military people an adequate standard of living and pay that is reasonably comparable to salaries in the private sector for equivalent level of work, we also recognize that we have to deal with marketplace forces, particularly in facing competition for critical skills. To do this, we must provide a variety of bonuses and special pays where needed. However, there is a significant risk associated with heavy reliance on the marketplace approach, because this approach assumes no obligation to the member, but tries to pay only enough to keep enough. Thus, it cannot respond to the rapid shifts in the effective supply and demand that may occur for the military when war threatens or international tensions increase.

What we need most to sustain a top-quality career force and ensure our readiness needs are met is to provide a stable and predictable compensation system, based on the principles of equity and pay comparability, that supports the institutional values of mutual trust and reciprocal commitment between member and Service.

Too often, I think, the view of this basic commitment has been obscured by perceptions that the Services' personnel costs are rising at a disproportionate and accelerating rate which the Nation is unable to afford. The fact is that this is not the case at all. The share of the Air Force budget that goes for personnel has declined every year since 1974—from 51 percent in fiscal year 1974 to the projected 32 percent in fiscal year 1982.[1] Even with last year's major pay initiatives, the personnel share of the budget actually dropped more than a full percentage point between fiscal year 1980 and fiscal year 1981. The same trend has been evident for the whole of DOD. Further, a recent study of military compensation by the NATO Planning Group showed that the United States spends a smaller proportion of its annual budget on military pay and allowances than any other NATO country.

These data indicate very clearly that we can afford to provide our military members with pay levels fully comparable to those of their civilian contemporaries. The real lesson to be learned from the retention crisis of the late 1970's is that we can't afford not to.

The major initiatives undertaken last year helped tremendously in alleviating many of the compensation inadequacies that have adversely impacted on military people over the last six years. Although the 1980 changes were not sufficient to raise the pay of military people to an equal footing with their civilian contemporaries, the new initiatives did generate considerable optimism and anticipation regarding this prospect, which has been reflected in the upturn in retention rates. However, I believe it would be a serious mistake to be misled by a few months of improved recruiting and retention statistics. It will take years, not months, of sustained improvements to replace the mid-career and senior personnel losses already incurred and to restore all Services to healthy readiness levels. Although we are experiencing a reprieve from the manpower crisis, we can revert quickly to our previous condition unless we demonstrate a willingness to achieve a permanent solution to the military pay inadequacy problems that were paramount during the latter half of the 1970s.

NEED TO RESTORE MILITARY PAY COMPARABILITY

Our primary objective must be to restore military pay to the relative levels of comparability with the private sector that existed in 1972—the levels that DOD, the Congress, and the 1971 President's Commission on the All-Volunteer Force (AVF) determined would be necessary to achieve and sustain the AVF. As indicated in the fiscal year 1981 Budget Supplemental, we are seeking a 5.3 percent across-the-board pay raise effective July 1, 1981—additive to the October increase—to redress the pay caps that have been the most visible penalties imposed on military people during what has been termed a "decade of deterioration." This 5.3 percent raise will symbolically "wipe the slate clean" and signal a new national commitment to insuring that members of our Armed Forces are adequately compensated and will no longer be required to set an example of fiscal restraint.

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[1] Included are all pay and allowances for military and civilian personnel, and a portion of AF training, medical, construction, and other support costs. If retired pay and the AF shared of related DOD costs (e.g., family housing) are also considered, the percentage decreased from 55 percent in fiscal year 1974 to 40 percent in fiscal year 1982.

Implicit in the restoration of full comparability with the private sector is a further requirement to sustain that relationship in future years. If we are serious about having an all-volunteer force, the pay comparability system must be allowed to operate without pay caps or other actions that impose financial penalties on military people. We must never again place our national security at risk for the sake of the illusory marginal savings to be realized by holding military pay raises below those in the private sector. In reality, pay caps actually cost DOD more in the long run due to the induced losses of experienced career personnel and the associated costs of accessing, training, and seasoning replacements.

There is legitimate cause for concern over inadequate intergrade pay differentials, for members who are expected to assume greater rank and responsibilities without commensurate economic rewards may see civilian career opportunities as more attractive. However, I think it would be a grave mistake to try to reduce pay compression by depressing pay raises for first-term enlisted members, as some have proposed. This arbitrary action would place nearly one-third of the force (655,000 military members of which 116,000 have families) in a "second class" status, and would once again heighten members' concerns that 1980 provided only a temporary reprieve from the financial penalties imposed on them in the 1970s. In effect, it represents an added "tax" on first termers to help pay the government's obligations to career personnel. We can hardly expect to attract and retain quality people unless we can demonstrate our intent to provide them a standard of living comparable to that enjoyed by their civilian counterparts. Therefore, I firmly believe that resolution of the pay compression problem must be accomplished through a separate pay raise additive to the annual comparability increase.

In the same vein, it also will be essential to avoid efforts to reduce short-term pay funding through reallocation of part of the basic pay raise into the Basic Allowance for Quarters (BAQ). Reallocation imposes real income losses on our members in a variety of ways. Transferring funds from basic pay to BAQ depresses enlistment and reenlistment bonuses: Reserve drill pay; future retired pay, survivor benefits and social security coverage; and all other elements tied to basic pay. Putting a disproportionate amount of the increase into BAQ means that on-base housing occupants lose part of their basic pay increase and pay higher BAQ "rents". Finally it substantially reduces the size of the Variable Housing Allowances and overseas Housing Allowances payable to members at high-cost locations by displacing funding for these separately appropriated allowances with dollars that members should rightly have received in basic pay. The two reallocations to date—in 1976 and 1977—have cumulatively deprived military members of more than $700M in current pay alone. In effect, reallocation constitutes a very real pay cap and works contrary to our retention efforts.

NEGATIVE COMPENSATION ISSUES

Problems caused by pay caps have been aggravated because we have also forced military people to absorb well in excess of a billion dollars of expenses annually that were properly costs of doing business and should be borne by the Government. This "negative compensation" falls across a broad spectrum and includes: (1) inadequate reimbursement for relocation expenses caused by a government-directed move; (2) out-of-pocket expenditures for family medical care because of curtailed in-house services and outdated fee profiles for civilian providers; (3) inability of our compensation package to keep pace with trends in the private sector such as dental care; and (4) unique expenses associated with living in a foreign environment. Until we remove these serious disincentives to service, our people will inevitably divide their time and attention between satisfying their family needs and the mission.

The most pressing action required to alleviate this negative compensation situation is a reduction in the more than $1 billion that our people must spend out of their own pockets each year to subsidize government-directed PCS moves. This substantial financial penalty—in effect, a "moving tax"—has increased the reluctance of military people to relocate their households to a new location. Our assignments people report that it is not uncommon to select as many as eight members for an assignment before finding an individual who has or will obtain the retainability to move.

We recognize that such reluctance to move is not limited to the military, but is also experienced by the private sector. Accordingly, private industry is being forced to provide greater and greater incentives to get people to relocate. A recent Associated Press news story indicated that businesses often provide bonuses for those who transfer, in addition to salary increases. As reported in Fortune magazine, "hundreds of companies are liberalizing their relocation policies. The Employee Relocation Council, a nonprofit Washington-based association, reports that over half of its 650 corporate members have changed their relocation programs in the last year or are planning to do so soon. The most widespread new benefit—now offered by two-thirds of the companies in the Relocation Council—is a mortgage interest differential to help cover increased mortgage rates." As more and more employees exhibit a reluctance to move, employers are turning to a major new industry—relocation specialists—to relieve the employee of all details associated with the move, including the sale and purchase of homes.

In contrast, we in the military not only tell our people when to move and where to move, but we also make them pay a substantial part of the expense of getting there. This must change, or we are going to lose more and more good people.

The inadequacy of military PCS reimbursements can best be illustrated by an example of the disparity between what a military member (Master Sergeant) and a Federal civilian employee receive as reimbursement for a PCS move. Assuming a family of four being transferred from Washington, D.C. to San Francisco and selling/buying a house at the old and new duty location, respectively, the civilian can receive PCS reimbursements of up to $13,000 while the military member receives less than $1,300 for the same PCS move (table below).

OUT-OF-POCKET MOVING EXPENSES—WASHINGTON, D.C., TO SAN FRANCISCO, CALIF. (2,833 MI)

	GS-9	MSGT
Automotive travel and per diem	$1,861	$1,022
Househunting trip	1,397	0
Temporary lodging	1,875	0
Real estate expenses	8,000	0
Dislocation allowance	0	277
Miscellaneous expenses	200	0
Total	13,333	1,299

A recent Air Force survey concerning unreimbursed PCS costs experienced by military people helped to quantify the actual amounts of out-of-pocket costs typically incurred. For example, excluding home-ownership closing costs, Captains reported median out-of-pocket expenses of $1,750 while the median loss for Staff Sergeants was $1,250. To put the effect of such expenses in perspective, the $1,750 expenditure means that a pilot who moved last fall lost the equivalent of seven months' worth of the 11.7 percent pay raise, the 10 percent BAS raise and the 25 percent flight pay increase, after taxes. A staff sergeant (E-5) who moved a full year's worth of the 11.7 percent pay raise and the 10 percent BAS increase, after taxes. Thus, the positive effects of last year's raise and Nunn-Warner increases are substantially undercut by the failure to provide adequate reloctaion reimbursements.

One of the most glaring inequities is the lack of adequate reimbursements for junior enlisted members (E-4 under two years of service and below) being reassigned within the CONUS. At present, the more than 16,000 Air Force junior enlisted families who must move each year are denied any dependent travel allowances and are restricted to 225 pounds of household goods. The current denial of even the most basic entitlements to these families is a grave injustice and imposes severe financial penalties on them—a condition that can hardly be expected to enhance their propensity to reenlist. To overcome the severe hardships imposed on these members and improve first-term retention, we consider it essential that they be provided dependent travel, shipment of 1,500 pounds of household goods and a dislocation allowance at the "with dependent rate"—the same reimbursements now provided to their counterparts being reassigned overseas.

More generally, we believe that the adverse morale and retention impacts now caused by inadequate PCS reimbursements make it imperative to undertake immediately a program aimed at equalizing military and federal civilian travel entitlements.

Another major area of negative compensation is health care. The military was once a pioneer in health care coverage and our program was second to none. Sadly, this is no longer the case. Physician shortages have resulted in curtailment of dependent/retiree services. In turn, this has forced increasing reliance on a CHAMPUS program which has numerous deficiencies that substantially reduce its value to our people and actually create negative compensation. The problem is that the current law only allows annual updates of the fee profiles that are used to compute physician claims and reimbursements. Actually, under existing procedures fee profiles are sometimes over two years old, and there are numerous situations when physicians are asked to provide services in 1981 at 1979 prices. When considered from that vantage point, it is understandable why a great percentage of physicians won't accept CHAMPUS patients at all, or if they accept them, they require the member to pay the difference between CHAMPUS reimbursements and the physician's charges. Often the member has to put the money "up front" and must go into debt to obtain required medical care. The result is that the member pays far more than the intended 20 percent cost share. In one recent example, the son of a Staff Sergeant at Mountain Home AFB, Idaho, required eye surgery for a growth near an eye. The doctor's charges were over $1,555. CHAMPUS reimbursed only $1,032—a 66 percent reimbursement rate which cost the sergeant over $500 out-of-pocket.

In addition to the need to improve medical benefits under CHAMPUS, we also need to provide a dependent dental care program, similar to those now provided by many civilian employers, if we are to keep military health care on a par with that offered in the private sector.

Several recent studies (particularly the Rice Report, 1979) have documented the need to expand medical coverage, to include dependent dental care, to keep pace with the trends in private industry. The Bureau of National Affairs, Inc., reports that dental insurance was the most frequently negotiated insurance benefit in 1980 and was included in 30 percent of all contracts.

To correct this disparity, DOD is staffing a CHAMPUS-style dental plan. We are mindful of the concerns expressed last year by this committee and plan to submit a revised proposal to address those concerns.

To complement the CHAMPUS dependent dental care proposal, we need the flexibility to authorize space available dental care for active duty dependents and retirees on an equal basis in military facilities. It just makes good sense to use the existing military facilities and personnal to the maximum extent possible. In-house care is especially appropriate during exercises or contingencies when a large segment of the active duty base population is deployed and the local facilities have a proportional reduction in patient workload. Using existing facilities and personnel to the fullest would also result in added economy by reducing the costs of the proposed CHAMPUS dental program.

There is also a significant element of negative compensation associated with overseas service that should be addressed on a priority basis. The most important is denial of a cost-of-living allowance (COLA) to bachelors serving overseas. Over the past four years, overseas commanders have repeatedly voiced their concerns about the serious compensation inequity that has led many of the 24,000 Air Force single and unaccompanied members housed and subsisted by the Government in high cost overseas areas to become virtual prisoners on-base. Unlike all others at the overseas station, these bachelors are denied any COLA to offset their additional living expenses for such necessary items as transportation (to include often exorbitant auto insurance rates), civilian clothing, and recreation. These bachelors are at a financial disadvantage compared to their CONUS counterparts, and some even receive less take-home pay than their subordinates at the overseas stations who are junior to them in grade. To restore these members' purchasing power to CONUS levels, we are seeking funds to allow payment of a partial COLA at 47 percent of the "without dependent' rate paid to those who subsist off-base.

SPECIAL AND INCENTIVE PAYS

In addition to restoring overall pay comparability and eliminating "negative compensation" conditions, we also require additional specifically targeted incentives to address critical shortages. Our principal concern is that we are still experiencing serious shortages of flying personnel. At the end of FY 1980, we were about 1,100 pilots and 300 navigators short, and these shortages are forecast to increase despite the 25 percent increase in flight pay provided last year and despite increased flying training rates. As you recall, we testified last year about the need to increase flight pay by 50 percent to restore retention to acceptable levels. The 25 percent increase has helped, but a further 25 percent increase is still required if we are to take advantage of the momentum we've gained and provide a long-term solution to the aviator retention problem. In contrast to a bonus program, a flight pay increase, guaranteed in law, results in a predictable, secure earnings pattern. This is a stabilizing element which encourages the institutional dedication and career commitment we require. In the interim, and because the flight pay increase may be delayed, we ask for your support in obtaining funding for a modest bonus program in 1981.

We are also experiencing critical shortages in scientific and engineering officers. At the close of last year we were short approximately 1,100 engineers—this amounts to a 14 percent deficit. Our major problem lies in recruiting. Because the average starting annual salary for civilian engineers is about $21,000 as compared to about $15,400 for a second lieutenant, we simply can't compete for engineering graduates. Although we have taken aggressive internal steps to improve engineer accessions through the Air Force Academy, AFROTC, and OTS, we are still unable to meet our requirements. Consequently, we have prepared a legislative proposal to authorize a discretionary accession bonus of up to $15,000 for selected scientific and engineering personnel who agree to enter active duty for at least four years. The proposal also would provide a standby authority for a continuation pay of up to $3,000 per year. Although we do not contemplate using the continuation bonus at this time, it's important that we have the flexibility to do so if our retention warrants. The legislative initiative is now being coordinated among the Services.

We need to relook at the special pay we use to attract people to perform duty in hazardous specialties. The existing hazardous duty incentive pay (HDIP) rates ($55–110/mo) were set in 1955, and their incentive value has been substantially eroded by inflation. Also contributing to the problem, especially in the Air Force, is the fact that "Nunn–Warner" flight pay increase, although sorely needed, inadvertently created an incentive pay inversion among our flying personnel. "Nunn–Warner" increased rated officer and enlisted aircrew member flight pay but did not address the HDIP rates that are paid to other categories of fliers. (Non rated officers: flight nurses, weapons controllers, developmental engineers; enlisted non-crew members; weather observers and sensor operators). As a result it is now possible for enlisted crew members to receive more flight pay than certain officer crew members. For example, a master sergeant radio operator now receives $131/mo while a major flight nurse earns only $110. Further, since the existing law specifically identifies the duties which qualify, we lack flexibility in adding and deleting duties as technology and missions change.

We have initiated two legislative proposals that are designed to improve retention among military members who engage in selected hazardous duties. The first initiative would increase HDIP rates 50 percent. The second would provide a new special pay to members who engage in hazardous duties or who work under unusually severe working conditions and is designed to parallel the existing environmental differential pay now paid to federal civilian workers. Among the occupations we would initially consider for this special pay are hydrazine fuel handlers (Titan II, F–16), entomologists, firefighters, propulsion laboratory workers, rabies detection laboratory workers and electric linemen.

Finally, all of the Services are experiencing difficulties in convincing enlisted members to volunteer for recruiting duties. As a matter of fact, only the Air Force has been able to maintain an all-volunteer recruiter force. The primary reason for the lack of volunteers is that the existing recruiter special pay is inadequate to offset the vigorous demands associated with recruiting duty. Secondly, the existing entitlement prohibits paying other than the minimum amount to recruiters who are assigned above the squadron level. As a result, recruiters selected for senior supervisory and leadership assignments suffer a reduction in incentive pay ($1,200 per year). It is no wonder the Services are finding it increasingly difficult to attract volunteers for these positions. A legislative proposal is being developed which will provide recruiters at all levels of assignment with incentive pay in amounts ranging from $125–275 per month depending on experience.

In summary, the substantial compensation improvements made in 1980 presented military members with a strong signal of public awareness and positive support for the hardships and sacrifices inherent in a mititary career. By providing substantive relief from the pay inadequacies of the 1970's, we were able to cause our retention to begin to turn upward. However, we have not been tested yet. These improvements have occurred during a period when we have had everything going our way. It remains to be seen whether they will be sustained through an upswing in the economy and a resurgence of hiring by the airlines and other private sector firms.

If we are to permanently reverse the adverse retention trends, we must sustain the momentum this year and in the future. We must expeditiously remove the offsetting effects of negative compensation associated with permanent change of station moves, health care, and other areas which detract from our efforts to retain a quality Air Force. It is my firm belief that readiness can be significantly enhanced once our members are able to put worries of day-to-day financial problems aside and give their full attention to the mission. The satisfaction of service to their country and the vital work our members perform are strong factors which encourage them to stay with us. But the retention of skilled people also depends on other things like the place where they live, where they eat, and the medical care they and their families receive—in short, the quality of life within the Air Force.

If we expect to be able to attract and retain the top quality career people we need, we must be willing to compensate them accordingly. We solicit your support to demonstrate this Nation's commitment to provide military members a stable compensation package commensurate with the extraordinary sacrifices and demands imposed upon them.

General USHER. If I may, I would like to make three or four brief points.

Senator JEPSEN. You may proceed.

IMPROVING MILITARY COMPENSATION

General USHER. First of all I would like to echo General Tice in thanking the members of this subcommittee and the full Armed Services Committee for the great strides we made last year in improving military compensation. We appreciate that effort and we want to let you know that it has been very helpful to us. Our retention rates are on the upswing.

We see good signs for the future; however, I would be remiss if I did not say that those good signs have not been fully tested yet. As you know, the state of the economy is not quite what it should be. The airlines are not hiring and so forth. So, we have a lot of things going our way at this point in time and we have not had a chance to fully test the results of the improvements that we have had.

I think in the sense of priority here that we need to restore pay comparability to the level established in 1972 as quickly as possible, hopefully with the 5.3-percent pay increase across the board in July.

As others have pointed out, not only is this important in a monetary sense but has the advantage of sending a strong signal to our people that we are sustaining the momentum begun last year. It indicates a new national commitment and sort of wipes the slate clean. We tend to look at compensation in the Air Force as what we need to try to raise it to the level where it ceases to be the day-to-day concern of our people and that will hopefully give us the basis then to concentrate more and more on esprit de corps and other things that we know are essential for success in battle.

The second point I would like to make is that we need to strive very hard to eliminate the uncertainty that we have had in compensation over the last several years since the beginning of the All-Volunteer Force. Our people tell us repeatedly that they're concerned about whether they ought to stay or leave because they are never sure what is going to happen in the future.

We had innumerable proposals to revise the retired pay system. We have had pay caps. I would hope that in the future we could arrive at a process that had some predictability and certainty that we could convey to our people. I think that would help a great deal.

The subject of pay compression has been raised and we are keenly aware of that. In 1971 the ratio of basic pay between E-9 to E-7 was 7 to 1. It has dropped to 3 to 1.

We ought to be careful not to use the annual pay raise process as a way of reducing that. Unfortunately, if we did that, we convey to our people that we are trying to finance a change in the pay line slope by taking money out of one pocket or out of the pockets of one group of people and putting it into another.

I think it is important to realize that people make up their minds as to whether they are going to become careerists in that first term. If they are not paid a reasonable standard of living, no matter if the promise of higher pay is held out, they are not going to stay in.

VARIABLE HOUSING ALLOWANCE

There was some discussion about variable housing allowance [VHA] and whether it serves to close the comparability gap. I would like to make a couple comments on that. When we order a person to the Washington, D.C., area, which is a high cost area, and the person receives VHA, we don't consider his receipt of VHA as an increase in pay because if we move that person from Washington to, say, someplace in the Midwest, where VHA is not necessary, we would not consider that a reduction in pay. We merely consider that an allowance that is intended to compensate the individual for where he goes at the convenience of the Government because of the particularly high cost in that area.

Similarly, as General Tice pointed out, only 30-odd percent of our people receive the VHA.

As a final point, I would like to stress the need to really do some work this year on what we would call negative compensation factors; namely, those out-of-pocket costs associated with permanent change of station, medical cost, bachelor COLA [cost of living allowance] and so forth. To give you one example, and this is after taxes, a staff sergeant who went PCS in 1980, in fact, if we can believe what our surveys tell us experienced out-of-pocket costs of about $1,250 on the average move for a staff sergeant. He, in fact, lost all he gained through the 11.7 percent pay increase and 10 percent BAS increase.

I think we need to bear that in mind as we look at PCS costs and treat them more in the future as a cost of doing business.

Senator JEPSEN. A permanent change of station, in other words, a move?

General USHER. Yes, sir.

Senator JEPSEN. Would you repeat what you said. It sounded as though you said that a sergeant making a move from one station to another lost all of his pay raises.

General USHER. He lost in out-of-pocket costs. We surveyed a group of our people making a PCS move this last summer, both enlisted folks and officers. We came up with some average costs, out-of-pocket costs, that they incurred, associated with making a move. Now, as you know, at the present time for a PCS move the only thing we pay is 7 cents a mile and $35 a day per diem for the member. From September 1 to recently, that was 18½ cents a mile to the member. We only pay 7 cents per mile for the dependents above 12 years old and below 12, 3½ cents a mile. For families moving, those reimbursements don't cover such things as their housing and extraordinary meal expenses as they move along the way, the cost of living in some temporary quarters, say, after they move out of their house or apartment they are renting or moving out of Government quarters before they actually get underway, or the extra costs associated with temporary accommodations when they arrive at a new duty station until they find a permanent place to live.

All those costs go in. Also, and my wife is in the audience, I have moved about 25 times in my career for one reason or another. We need to get a new set of drapes that fit the new place we move into. There are also curtain rods and getting rugs cut up. Those expenses are really expenses for our people. We, through survey techniques, have indicated they paid out of pocket $1,250—the staff sergeants. We need to bear in mind that this out-of-pocket cost is approximately equal to what that same staff sergeant got in terms of the very fine improvements that we made in compensation this past year.

Senator JEPSEN. It would help me if I could have something specific to talk about. How much does a staff sergeant recover to move his wife and two children from Washington, D.C., to California?

General USHER. It would be approximately $1,400. That would be about what he would recover. That does not take into account the Government paying for the movement of his household goods. But in terms of travel pay——

Senator JEPSEN. $1,400 they would recover if they, in fact, all got in their car and drove from Washington to California?

General USHER. That is correct, compared, for example, to civil service, the maximum benefits of equivalent rent would be almost 10 times as much.

Senator JEPSEN. Pardon?

General USHER. Almost 10 times as much when you take into account the house hunting trip, the assistance he is entitled to under law in incurring selling expenses on the old house and buying expenses on the new house.

Senator JEPSEN. You say comparability to civilian would be about $14,000?

General USHER. That is correct. I have a table that I will be glad to submit for the record on that, sir.

Senator COHEN. Would you rather see yours increased to $14,000 or their's reduced down to $1,400?

General USHER. I would like to see the reimbursement for the military increased to something reasonably comparable to what the individual incurs. Again, as General Tice pointed out, I think we need to get away from thinking about PCS cost as an element of compensation per se and more as a cost of doing business that we have to rightfully recognize.

Senator JEPSEN. Thank you, General Usher. Admiral Hogg, please proceed.

STATEMENT OF REAR ADM. JAMES R. HOGG, U.S. NAVY, DIRECTOR, MILITARY PERSONNEL AND TRAINING DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

Admiral HOGG. Mr. Chairman, I am glad to be here today. Thank you for the opportunity. I would like to start by commenting that the compensation improvements which were passed by this Congress in 1980 are most appreciated by the Navy at all levels throughout the ranks among our officers and enlisted personnel. As we look ahead the ultimate test, of course, of compensation adequacy is whether we have the required numbers and quality of personnel being attracted and retained in the Navy.

I should jump back and say, sir, that I have a formal statement that I would ask be placed in the record.

Senator JEPSEN. Your statement will be inserted as if read. You may proceed.

[The prepared statement of Admiral Hogg follows:]

PREPARED STATEMENT OF REAR ADM. JAMES R. HOGG, U.S. NAVY, DIRECTOR, MILITARY PERSONNEL AND TRAINING DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

Mr. Chairman, it is a pleasure for me to appear before this committee. This is my first opportunity this session to meet with you as the Director, Military Personnel and Training Division on the staff of the Chief of Naval Operations. I would like to also express my personal thanks and the thanks of the entire Navy for your continued concern and positive action with respect to military compensation levels. The changes that both Houses of the Congress so strongly supported are appreciated at all levels. More important, your actions are appreciated because of the growing confidence our people have that the Congress will take those steps necessary to provide adequate compensation in return for the demands placed upon them. Despite these improvements more must still be done to insure that we compensate our Navy people enough and to retain those we need for the career force. As Admiral Zech has stated, the momentum initiated by the 96th Congress must be maintained if we are to improve the readiness of our Navy. We need many years of exceptional retention success to fill the serious shortages which exist today and to meet the needs of our growing Navy.

As Admiral Hayward has testified, recruiting, training and retaining the kind of people the Navy needs is Navy's foremost readiness problem. In the years immediately following Viet Nam, eroded material condition accounted for the bulk of readiness degradations. Exceptional steps were taken and this trend was reversed. Readiness degradation attributed to personnel shortfalls has now become a critical concern. In the past year, the number of ships reporting marginally combat ready in personnel doubled and the number reporting not-combat ready in personnel quadrupled. Similar occurrences were reported in aviation squadrons. Recognizing the hazards inherent in operating our units in a reduced manning condition, the Chief of Naval Operations established a "safe to operate" review procedure in February 1980. Units reporting "not-combat ready" in personnel are evaluated to determine if they are safe to operate. As a result of this review procedure, the Fleet Commanders have placed operating restrictions on ships and submarines because they were not adequately manned in particular ratings and pay grades. Flying hours have been reduced for the same reasons.

Paralleling the "safe to operate" reviews, short terms management actions targeted toward enhanced sea manning have been initiated. These include:

Termination of early release to attend school programs;

Shortening of shore tours by 3 to 6 months for selective ratings;

Extending sea tours for numerous personnel;

Allowing commanding officers to operationally hold personnel in critical rates who are scheduled for transfer if no relief has been provided;

Cross-decking personnel to fill urgent needs in deploying units;

Restricting the amount of sea time that can be waived for first term reenlistments;

You can see from this list that the Navy has had to take steps that contribute to—not alleviate—our retention problem. Actions such as extending sea tours, "cross-decking" our critical people to deploying units and holding personnel beyond their scheduled transfer dates exacerbates the very conditions we know are causing our people to leave us. They expect and readily adjust to the uncertainties of these kinds of demands during periods of emergency or war, but they anticipate a degree of stability during peacetime. When we are unable to provide stability, as is now the case, we blunt the effect of many retention oriented initiatives, particularly when our valuable career people are those most often directly affected by our short term management actions. These actions, created by Navy's need to respond to national requirements without the personnel resources required, bring into sharp focus the point I want to emphasize—that Navy cannot effectively control the balance of demand and reward by reducing the demands. As the current Fleet operating tempo continues, an increase on the reward side is necessary to level load the scales.

The significant compensation initiatives of last year have given us an opportunity to turn the corner on our readiness and retention problems. Retention of our mid-grade petty officers and Unrestricted Line Officers continues to be the major problem for Navy. Our enlisted retention results indicate a pattern which suggests responsiveness to pay increases. The brightest area was second term retention which showed a rise from 45.3 percent in fiscal year 1979 to 50.5 percent in fiscal year 1980. I attribute this rise to the expectations of compensation increasing during fiscal year 1980 as well as the general slowdown in the economy. It should be noted that even with this slight increase in second term retention we are still experiencing severe retention problems in technical skill areas. Analysis of early data for fiscal year 1981 indicates increases in retention rates for first quarter. However, these initial gains are masked to a certain extent by a large number of personnel who waited until fiscal year 1981 to reenlist in order to avail themselves of the compensation increases effective 1 October 1980. Because of this, it will be several months before we can fully evaluate the longer term retention trends. January figures seem to substantiate this with experienced retention rates that are more in line with January 1980 rates, and at the same time are down significantly when compared to December 1980.

In the officer community our nuclear submarine and aviation forces have been hardest hit by low retention. I am optimistic that the recently enacted Sea Pay bill for officers, increased Submarine Duty Incentive Pay and increased Aviation Career Incentive Pay supplemented by the new Aviation Continuation Bonus, when implemented can help us turn the corner on these negative trends.

Many steps must still be taken to resolve our readiness and retention problems. As the Secretary of Defense emphasized in his statement, we are committed to improve the pride and prestige of the servicemember. We recognize that adequate pay is a determining factor in improving the image of the servicemember. We are strongly supporting across-the-board increases in basic pay as well as substantial increases in special and incentive pays and travel expense reimbursements.

General Tice has reviewed briefly the findings of the OSD Special Study of Military Compensation of 1979. This study was especially important because it provided us with the hard data to support our concern over the relative decline of military compensation since the advent of the All-Volunteer Force. Even though commitments were made to provide competitive compensation to the All-Volunteer Force, the results have indicated otherwise. For a variety of budgetary and other factors, the military compensation system has not kept pace with the private sector or the needs of today's military forces. The Pay Study provided us with the basic outline of what was needed to regain an adequate compensation system. The Pay Study documented that there could be as much as a $5.5 billion shortfall in military compensation adequacy as of 1979. It was clearly proven that military pay was inadequate, that military pay had not kept pace with the private sector, and that military pay had lagged across-the-board behind almost all civilian workers.

This shortfall did not address special and incentive pays and allowances, health care, a comparative benefit analysis, and the other unique conditions of service oftentimes referred to as the "military 'X' Factor." The Pay Study also documented that government directed relocations were becoming a serious drain on military members and their families. Permanent change of station travel reimbursements were seriously inadequate with findings documented that members were paying about $1 billion out-of-pocket for expenses associated with these moves. This situation has been lessened somewhat because of allowance changes enacted last year but a serious situation still exists with members and their families subsidizing the cost of travel without reimbursements reflecting actual expenses. The Pay Study, in addition to the shortfalls just mentioned, outlined the serious situation that the range of housing costs incurred by servicemembers in the United States varied from slightly below to nearly twice as high as the individual Basic Allowance for Quarters (BAQ).

As General Tice has stated, the 96th Congress took positive steps towards resolving these documented shortfalls through enactment of the Department of Defense Authorization Act of 1981, the Military and Compensation Amendments of 1980 which has commonly been referred to as the "Nunn-Warner" Amendment and the Military Pay and Allowances Benefits Act of 1980. In all honesty, I must acknowledge that the United States Navy has probably benefited from these bills more than any of the other Services. The significant improvements in the Sea Pay legislation and the increased Submarine Duty Incentive Pay were urgently required to stem the severe losses that we were experiencing.

Without these two essential improvements, the Navy cannot turn the corner toward increased readiness and retention. We now have these tools and can begin to rebuild from our seriously degraded position. We are starting to see promising signs. For example, during the first quarter of fiscal year 1981 we attained approximately 1,000 more sea duty extensions than over the same period in fiscal year 1980. This example indicates an approximate 300 percent increase of extensions in fiscal year 1981 when compared with fiscal year 1980 extensions.

Yet, more must still be done to restore military compensation to adequate levels if we are to meet our long term requirements of combat readiness. The significant compensation advances we have experienced are the result of documented shortfalls in specific areas of the pay system. They have not, however, addressed the central core of the military compensation system, that is Basic Pay, the only element of pay that all members receive. Submarine Duty Pay only accrues to about 5 percent of our Navy personnel. Sea Pay goes to only 19 percent of our Navy Force. Military personnel who receive the Variable Housing Allowance have not received a pay raise because of it. The intent of VHA, like travel reimbursements, is not to provide additional pay, but rather to provide an allowance which reflects a particular set of geographical and economic circumstances over which the individual has no control. The VHA reflects actual housing costs in an area after the member pays the first 15 percent above BAQ levels.

There is still an urgent need for a significant pay increase. The total number of qualified people willing to enter the military or continue a military career is positively related to total military compensation. As military compensation rises, holding conditions of service constant, additional people will be willing to enlist and reenlist. It is important to recognize that the principal purpose of any compensation system is to attract and retain the desired numbers and kinds of personnel in an equitable yet cost effective manner. "Competitive" compensation systems and "comparable" compensation systems are equivalent descriptions of the same principal when this criterion is recognized. If compensation is not perceived as "equitable" then in the long run the military services will be unable to attract and retain sufficient personnel of desired quality. If military compensation is not competitive with or comparable to civilian opportunities, the inability to attract and retain desired numbers and kinds of people will indicate this situation. We are in a deficit position which confirms that military compensation levels are still not competitive or comparable. We cannot compete for quality personnel until we can provide levels of compensation to reflect what our quality military people could expect to earn in the private sector. As you are aware, the Office of the Secretary of Defense has convened an OSD/Joint Service Study Group to address this very issue. The purpose of this study is twofold: first, to determine the adequacy of military compensation and second, to recommend a military pay adjustment system that maintains that adequacy. The most pressing need in the compensation area is a resolution of what the basic compensation levels should be and once those levels are achieved, a pay adjustment mechanism that adequately maintains those levels. I am confident that the Study Group will be able to provide the initial analysis necessary to set these pay levels and to sustain them as desired.

An area of equal importance is reimbursement for PCS travel. Reimbursement for actual expenses incurred on a government-directed move cannot be considered compensation. Reimbursement is not designed to put money into our personnel's pockets, but rather to cover an actual cost of doing business. When the Navy transfers a person from Norfolk, Va. to Jacksonville, Fla., a certain cost is incurred for transportation, food and lodging of the member and family. Today, even after enactment of the improved reimbursements under the Nunn-Warner Amendment, our people are still subsiding moves out-of-pocket. Not only are they not being compensated for the move, they are in fact assuming the government's fiscal responsibility for the move and associated expenses. We must have a travel reimbursement system capable of meeting costs in real time and of covering all of the costs incurred.

We must come to grips with the intent and effectiveness of the special and incentive pays and allowances. Most of these have lost their effectiveness because they have stagnated since enactment 10, 20 and over 30 years ago. A good example is diving pay which has not had rates changed since 1961. Another example is Certain Places Pay which was enacted in 1949 with rates ranging from $8 to $22.50. These rates are still in effect today. Flight pay and submarine duty pay used to be set at 50 percent of basic pay. Even with the increased rates enacted last year, these pays are not as effective as when first enacted. In 1955 flight pay for a Lieutenant Commander was 43 percent of basic pay and to day it represents only 16 percent. What is needed today is a restructuring of all special and incentive pays and allowances and enactment of a mechanism to sustain their effectiveness in the outyears.

For example, the new Sea Pay rates can only be effective as long as they are at meaningful levels. The rates have already lost almost 12 percent because of the effects of inflation. If steps are not taken to preserve the Sea Pay effectiveness in the future, Sea Pay will become no more effective than when the maximum rates had declined during the period 1949 to 1978. I am optimistic that the recently enacted legislation providing increased Sea Pay, Sea Pay for officers, increased Submarine Duty Career Pay, and increased Aviation Career Incentive Pay supplemented by the new Aviation Continuation Bonus when implemented can help us turn the corner on our trends, but in the long term this can be done only if effectiveness is maintained.

With respect to educational benefits, the termination of the Viet Nam era GI bill benefits is serving as a disincentive to service for the career force. Because the benefits will terminate on 31 December 1989, service members who entered active duty after 1969 must leave active duty prior to twenty years of service in order to benefit. Forty-one percent of our third term personnel leaving the Navy at this time rank "to keep from losing my GI bill benefits" as one of the most important factors in their separation decision. The expiration date is not only costly to the Navy in terms of lost skill and experience of those who leave, but it unduly penalizes those who choose to serve their country. I consider the extension of the GI bill benefits as an important prerequisite to improved career retention. The Navy is also vitally interested in new educational benefits legislation for those who enlisted after the Viet Nam era. The Office of the Secretary of Defense is conducting an educational incentives test this year and expects to have a proposal next year.

The CHAMPUS program is a most important element of military compensation system. With reductions in the ability for the Uniformed Services to provide medical service to both active duty personnel and dependents as well as retired personnel, it is essential that the CHAMPUS program meet the need of our personnel. In this regard, legislation to provide dental care as an element of the CHAMPUS program is urgently required. People say that we cannot afford a dental program because it costs too much. That is exactly the reason that it is so essential to provide such a program for our people, since they cannot afford to provide the needed dental care for their families. Your favorable consideration of a CHAMPUS dental program would be welcome by all and provide positive retention results.

In summary, there have been significant steps toward returning military compensation to adequate levels. Our Navy people are responding to the action initiated by the Congress, but a large part of the positive response we are receiving appears to be attributed to the perception in the fleet that Congress, the Administration and the American people are committed to addressing the compensation issue and solving it. I am confident that continued action on your part will enhance our retention efforts and that our Navy will be capable of meeting future commitments as well as providing adequate compensation in return for the demands placed upon our people.

NAVY READINESS DEGRADED BY POOR RETENTION

Admiral HOGG. As you know, the Navy readiness has been severely degraded because of poor retention. We have seen some retention improvement since last October as a result of the significant compensation improvements which were targeted mostly toward our submarine and our surface seagoing personnel. It will take about 9 years of improvement at the level we have seen in the last 4 months to totally correct the severe midgrade problems we have in the Navy.

Compensation improvements in 1980 did provide the initial step necessary to turn the corner on our retention and thus our fleet readiness problems for both ships and squadrons. We feel sincerely that more steps are needed. We see the need to resolve the shortfall in military pay that is caused by pay caps and reallocations and the fact that the professional, administrative, technical, and clerical grouping on which you were briefed earlier by General Tice does not represent more than about 12 percent of the military skills.

In fact it is not representative of the military-comparability link. We see a need for a mechanism to provide for military pay growth similar to that experienced in the private sector with a group that is as close as we can come to being representative of the military force. We see the long-term need to establish pay levels by individual pay grade.

As has been discussed already in some depth, we, as the Air Force and the OSD, see the need for full establishment of the principle of reimbursement in kind for expenses incurred as a result of the Government-directed travel. We feel that these expenses are not compensation, but reimbursement. We don't want to overreimburse our people for this but we want to reimburse them for actual costs incurred.

The need exists to increase the number of dollars that we budget in defense for actual point-to-point travel, reimbursement for transportation, food, and lodging. We see the need for reimbursement for such things as a house-hunting trip, temporary lodging on either end of the trip based upon receipts provided, and for per diem for dependents and their travel.

General Usher talked about the variable housing allowance and whether or not it should be included in RMC. I agree with General Usher that VHA should not be included in RMC for purposes of determining raises of base pay. My reason is that VHA varies significantly in that some people draw little and others draw a large amount. That is based on the geographic location of their military duty. Equally important, only about 34 percent of military personnel draw any amount of VHA. Therefore, it would be inequitable to in effect depress a raise to basic pay by including VHA dollars in the RMC computations. VHA dollars are received by a minority of the force while RMC computations affect the entire force.

Finally, Navy does have several technical changes that are needed for full and effective implementation of the special and incentive pay bill. These are primarily in the area of the nuclear pay. We are pursuing these and will respectfully request your early consideration in this session of Congress.

SPECIAL AND INCENTIVE PAY

One more comment on special and incentive pay and allowances. With the exception of sea pay and submarine pay and to some degree flight pay, most of these allowances, such as hazardous duty pay, diver's pay, parachute pay, have remained steady, stagnant over the last 10, 20, 30 years; we feel that these must be increased to maintain their effectiveness over time.

Many of these areas that I have discussed are now under review and consideration by an OSD Joint Service Study Group which is specifically addressing pay adequacy and pay adjustment mechanisms. Their recommendations, which are due to this body in April, should provide the basis for additional improvements.

In conclusion, I would like to point out that the compensation problem was essentially masked to a large degree by the drawdown of forces after the Vietnam war. We are now faced with a very real problem of trying to attract and retain a skilled military force in the face of very stiff competition from the private sector. As a minimum, we need a compensation system that can compete with the private sector for individuals with technical skills. It is the military talent with those skill areas that are drawn to the private sector by industry.

In addition, we need a travel reimbursement system which covers the cost of moving our members and their families, which provides sufficient money so that they do not have to take out loans in advance in order to pay for their actual travel expenses en route.

With your continued support, we can recruit and we can retain the quality and quantity of people needed to provide a capable and ready Navy.

Thank you, sir.

Senator COHEN. I have not heard any talk about the GI bill today. Is that something that slipped by?

Admiral HOGG. No, sir; there was a hearing this morning in the Veterans' Affairs Committee by my superior, and the Deputy Chiefs of Staff for Personnel from each of the services who testified on the bill.

GI BILL

Senator COHEN. Do you want to tell me what you think about it?

General TICE. I think the Department of Defense's current position is that there is no doubt that we need some type of educational incentive as a means of attracting the kind of high quality individual we need to serve in the Armed Forces. I am not so sure that the Department of Defense is prepared at this time to support a massive GI bill until the test, which is underway, is completed on October 1.

Senator COHEN. What is your individual position with respect to the need for it aside from what the Secretary of Defense may or may not recommend?

General TICE. I guess the real debate is whether you should provide a GI bill in a peacetime mode of service. On the other hand, I think there is a great deal of evidence to support the fact that educational incentives would attract some high quality people in the Armed Forces if there are proper safeguards because, basically, the GI bill would perhaps increase the initial accessions but it could serve to cause an exodus from the service in order for them to participate in any educational program which could be counter to our objective of retention.

Senator COHEN. You have not resolved what you think about the first issue, namely, whether we should have a GI bill in peacetime. We have a peacetime climate. Even though it is ostensibly a peacetime environment, we are operating at a very high level of readiness as far as our Navy is concerned. We are trying to increase the combat readiness of every single service because of the increased tension in the Persian Gulf, and Latin America. We are not at war at this particular time, but it seems to me that there is a greater danger of that today.

For example, Admiral, I was going to come back to you on this. On page 2 of your statement, you indicate:

> As a result of this review procedure, the fleet commanders have placed operating restrictions on ships and submarines because they were not adequately manned in particular ratings and pay grades.

I want to know which ones, what ratings, what pay graders? Flying hours have been reduced for the same reasons. What reasons? Is it because of lack of fuel? Is it because of lack of personnel to maintain aircraft?

Admiral HOGG. Those are all personnel-related degradations.

Senator COHEN. The question is not simply a GI bill in wartime but a GI bill to help fill the needs we have in manning our capability today. Last year, everybody who came before the committee testified, all the Joint Chiefs, that they ought to have the GI bill. Now we have the Secretary of Defense saying, "I am not so sure now; we have to wait." People seem to be backing away. I am wondering why?

Admiral HOGG. I think the Secretary of Defense's position is based solely on the fact that for the first time, although to a limited scale, we have the means to test in the field the educational incentive program. I think that is what he is basing his position on. Whereas I think the uniformed members of the military departments sense a little higher degree of urgency on what the attraction would be of a GI bill. I suspect that a lot of it is lost in just the terminology. I am not sure that in some of the educational benefits that we have today that we call the VEAP—we refer to them as a peacetime GI bill—there would be a better understanding of them.

Senator COHEN. Do you think the VEAP has been successful?

Admiral HOGG. We have had some positive results in certain areas. Even with the high-kicker on the VEAP, it never has come up to the level of what the GI bill provided in the way of educational benefits that went out in 1976, sir.

REDUCED FLYING HOURS

Senator COHEN. Admiral, you are saying that the reduction in flying hours has been principally, as far as the Navy is concerned, is more based on personnel and maintenance rather than fuel?

Admiral HOGG. It is a little confusing. I am not in the flying-hours, fuel-funding area, although I am sure that because of rising fuel costs, there have been some restrictions on flying hours in the Navy. In my statement, I am referring to a particular ship that was limited in its flying hours because it did not have sufficient flight-deck personnel to maintain the safety of operations over a sustained period of time. In that particular case, the fleet commander, Admiral Train, said that the aircraft carrier could not conduct flying hours for more than 12 hours a day.

Senator COHEN. It is not clear from your statement, because you phrased it generally whether as a result of this review, the commanders placed operating restrictions on ships and submarines because they were not adequately manned in particular ratings and pay grades. On flying hours, you gave the same reason. I am wondering if it was because of lack of personnel, maintenance crews or whether other factors were involved?

Admiral HOGG. It was lack of personnel. It may have been more than one ship. It may have been two CV's at that time. I can clarify it for the record and provide more specifics in the record in terms of actual ships and circumstances. That is classified, but it can be easily provided for the record.

Senator COHEN. Several pages later you indicate that—

> It will be several months before we can fully evaluate the long-term retention trends. January figures seem to substantiate this with experienced retention rates that are more in line with January 1980 rates, and at the same time are down significantly when compared to December 1980.

To what do you attribute the downturn?

SELECTIVE REENLISTMENT BONUS PROGRAM

Admiral HOGG. We had a significant improvement in the selective reenlistment bonus program that came online the the commencement of fiscal year 1981. It actually commenced on November 1. We found that a fairly large number of enlisted personnel delayed their reenlistment by going on to short-term extensions in the summer months of last year so that when they did reenlist, knowing that they were bonus eligible, they would have the 11.7-percent base pay increase to use as a multiplier for their reenlistment level under the bonus. The bonus is determined to a degree by your base pay.

So, we had a tremendous surge in reenlistments under the bonus program in November and December. To the extent that we actually drove our overall retention up to the goals we have been trying to achieve for the past 4 years—which we have never achieved—that is 45 percent first term, 60 percent second term, and 95 percent third term. We came fairly close to those goals. Then in January of this year after that hump of people had reenlisted we had a dropoff in retention rates which were more comparable to 1980's rates. That is a little discouraging but I felt then, and I still feel, that we will see some improvement as a result of the sea pay program and other compensation improvements that came about during the last 3 months of calendar year 1980.

But I think it will take several months for the idea to sink in, and the improvements to take hold.

Senator COHEN. Over to the end of your statement you talk about the GI bill. You indicate that the "Expiration date is not only costly to the Navy in terms of lost skill and experience of those who leave, but it unduly penalizes those who chose to serve their country. I consider the extension of the GI bill benefits as an important requisite to improved career retention."

So you don't have the same hesitancy that the Secretary of Defense has?

Admiral HOGG. We are talking about two related but separate issues. As I understood your first question, that had to do with the education benefits bill, such as Congressman Montgomery's bill, for which the hearing was held this morning. We still have the problem of the termination date of the old GI bill that phased out as of December 31, 1976. In other words, anybody who came on active duty after that time came in under a new program. At that time it was decided in the law that the GI bill, which I am eligible for, would totally phase out by December 31, 1989.

Back in 1976 we didn't worry about it, we thought that is a long time away and that it was not going to be a problem. It turns out that it is a problem, it is a growing problem, because we are getting to the point, even though it is only 1981, that a sailor who wants to reenlist for 6 years would not be able to reenlist and take full advantage of the GI bill if he left the Navy in 1987. You actually have to utilize the benefits for 4 years prior to expiration in order to have full advantage of it.

What we really need is a continuation of that GI bill. I would say it is becoming more of a concern. We in fact find that in our enlisted separation questionnaires which are administered to personnel leaving the Navy for whatever reason, they have an array of some 30 reasons, the lack of the GI bill opportunity is listed by 40 percent of them as one of the significant reasons for their leaving the Navy now.

Looking at it another way, the senior people we have in the Navy, E–4's and above, two-thirds of those personnel are eligible for the GI bill, the old GI bill that I am eligible for. Those are the very people we are trying to keep in the Navy. That is the midgrade experience problem I have discussed with you. That is the reason for our concern.

15-CARRIER BATTLE GROUP

Senator COHEN. The Navy proposes to go to a 15-carrier battle group capability which will cost a significant amount of money. As a Navy man would you recommend we pay our Navy personnel more and better or would you allocate the money for more aircraft carriers?

Admiral HOGG. Of course there has to be a combination of the two. There are certain pays focused on the Navy's situation which is unique because the Navy has the ships. Sea pay has accomplished this. I think it is important to point out that we need to insure that sea pay maintains its level of effectiveness. In other words, that we don't allow inflation to again degrade it to the point where it looses its effectiveness. Of course we would propose legislation next year and the following year if that starts to happen, to bring it back to the level of purchasing power that it held when enacted in January of this year.

Senator COHEN. As I understood your testimony eariler you indicated that you would have to have comparability in pay in terms of what is available in the private sector?

Admiral HOGG. Yes, sir.

Senator COHEN. Is that realistic, do you feel, in terms of the budget constraints? I think there will be constraints in rather large numbers by the time we get through the appropriation process.

Admiral Hogg. Yes, sir, I think it will be if it is passed in over the period of several years such as the Armstrong-Trible-Bennett approach. I did not mean to infer that sea pay will solve the Navy's total problem. Sea pay focuses us on where our mission is.

SHIPS OR SALARIES INCREASE

Senator Cohen. I am not trying to put you on the spot in terms of choosing between ships and salaries. I recall asking similar questions of Admiral Hayward and asking him what is the most important thing. He said at that point he would prefer to put the money into increased compensation to keep the qualified personnel in.

Now we are going to expand a very small fleet from 453 ships to a goal of 600. That is a very expensive proposition. The questions once again will become would you rather have more pay or more boats?

Admiral Hogg. I am not trying to evade your question.

Senator Cohen. I am just asking you in your own personal judgment where would you put the emphasis if it came to the tradeoff?

Admiral Hogg. From a personnel manager's viewpoint I do not see it as a trade because the various elements of the personnel equation are positive. We are going to make end strength this year both quantitatively and qualitatively. In fact, in our supplemental request we have asked for 3,000 additional end strength this year. That is 2,700 enlisted and 300 officers, not that we will go to the recruiting command for but we need those additional strength numbers and the associated military pay dollars in order to be able to handle our improved retention both in enlisted and officers and our improving attrition performance in the first term for enlisted.

We are in a favorable growing posture. We need those end strength increases in order to take advantage of that now as we start to grow the force to meet these increased shipbuilding programs.

We have over the 5- to 10-year plan an increase of about 35,000 personnel total force. The 15 battle group would raise that. We are talking about an increase of 50,000 to 60,000.

NCO SHORTAGE

Senator Cohen. How short are you right now of NCO's?

Admiral Hogg. We are short approximately 22,000 midgrade petty officers within our authorized strength. Of course that is our severe problem. In order for us to realize this growth that we are discussing, as I said in my statement, it will take significant improvements in compensation. The 5.3-percent raise this summer, the 9.1 raise this October as an annual adjustment, and then additional raises such as the Armstrong-Trible-Bennett approach in the next 2 years. As I said in my informal statement, the OSD special study is now looking at compensation adequacy and the methodology for linking with the private sector.

It will have some recommendations in those regards.

Senator Jepsen. Would the Senator yield?

Senator Cohen. Yes, Mr. Chairman.

Senator Jepsen. We are embarking on some very real hard questions that we want to ask and we want to hopefully get answers either today or for the record. We are 22,000 short of petty officers.

In all fairness, Senator Nunn, I want to ask General Lukeman to proceed. The Marines don't want to be left out. If you have a statement will you please make it now? I don't believe you have had an opportunity.

STATEMENT OF BRIG. GEN. ANTHONY LUKEMAN, U.S. MARINE CORPS, DIRECTOR, MANPOWER PLANS AND POLICY DIVISION, HEADQUARTERS, U.S. MARINE CORPS

General LUKEMAN. Thank you. I appreciate that very much, Senator. With your permission I do have a formal statement that I would like to enter into the record. In addition, I have some informal statements.

Senator JEPSEN. Your statement will be inserted in the record as if read. You may proceed.

General LUKEMAN. Thank you, sir.

[The prepared statement of General Lukeman follows:]

PREPARED STATEMENT OF BRIG. GEN. ANTHONY LUKEMAN, U.S. MARINE CORPS, DIRECTOR, MANPOWER PLANS AND POLICY DIVISION, HEADQUARTERS, U.S. MARINE CORPS

Mr. Chairman and Members of the Committee, I am Brigadier General Anthony Lukeman, Director Manpower Plans and Policy Division, Headquarters Marine Corps. It is a pleasure to appear before this Subcommittee in order to give you the views of the Marine Corps regarding military compensation.

Recent actions by the Congress to improve military compensation, in particular the 11.7 percent across-the-board increase, the variable housing allowance, and continuing support of enlistment and reenlistment bonuses seem to be having a positive impact on recruiting and retention. Reenlistments are up and the quality of our recruits is increasing. Compensation has a lot to do with both conditions. That momentum should be maintained, and the Secretary of Defense's proposal to add a catch-up increase for all personnel in July is the single most important element of ensuring that it will be. If the momentum is continued, I am confident that most existing personnel deficiencies, both in terms of skills and numbers, can be gradually eliminated and that we will be able, at least in the near term, to man ready units with trained Marines who have all the characteristics we demand. Most assessments of military compensation show that a lot of young men and women who would make fine Marines or, perhaps even more important, who are today fine Marines can make money in the private sector with fewer sacrifices.

Achieving pay comparability with the civilian sector is the foundation for all the other manpower actions that lead to readiness, because those actions depend on pulling in quality individuals at the front and keeping many of them after they gain experience. Marines need a sense of confidence that someone is watching out for their pay and that the personal and family sacrifices inherent in a military career will not include continuous financial sacrifices because of noncompetitive pay. A move toward restoring the purchasing power that has diminished since the All-Volunteer Force was established, by a series of annual pay increases somewhat greater than those required simply to keep up with the cost of living, would be the second most significant compensation initiative. It would be a sure signal that a career in the Marine Corps would provide appropriate financial support to go along with the genuine satisfaction that most Marines obtain from serving in uniform. A third improvement, and one that ought to be enacted now, would be to make sure that we can fully reimburse our people for the costs they experience when we order them from one place to another. One of the responsibilities of the federal government is to attempt to be a model employer: not wasteful, not overgenerous, not penny pinching. Right now, because the laws haven't kept up, we are being penny pinching by paying considerably less than it costs to move from one station to another. Military people find this particularly difficult to accept when they realize that their employer—the government—provides much more adequate reimbursement to civilian federal employees when they are transferred.

There are several additional improvements of particular interest to the Marine

Corps because of our operational commitments, our structure or our particular skill requirements, that I will mention briefly.

Before I do, though, there are two areas of interest to all the Services and to the nation, that I want to address. The first is education. The long-term benefits to our country that have resulted from past educational assistance programs for service members and veterans probably are incalculable. We have lost those benefits for most individuals who began military service after 1 January 1977. In the short term, we have lost a recruiting and retention incentive. In the long term, we have lost an opportunity to expand the minds of hundreds of thousands of American citizens through formal education: an opportunity we can ill-afford when we reckon the costs and responsibilities of sustaining a free society where the judgment and participation of all individuals continue to be all-important.

The second area of interest to all the services, and to the Nation because of its long-term impact, is health and dental care for dependents. CHAMPUS needs some shoring-up, and a dental CHAMPUS needs to be developed and put into effect. The dental plan should be somewhat comparable to those now available to many employees in the civilian sector. Its primary characteristics should be care both for first-termers and careerists and a cost-sharing system that encourages participation but discourages unneeded treatment. In addition, an omnibus CHAMPUS bill with provisions for elimination of deductibles, the elimination of copayments and simplification of reimbursement methodology is required to improve support and reduce cost to the military family.

Three compensation areas of particular interest to the Marine Corps are special and incentive pay, leased housing and storage of individually-owned furniture and property when Marines are ordered away from their home stations for extended deployments.

Special and incentives pays intended to attract volunteers to perform hazardous duties are set in law at a flat rate that has not been adjusted, in some cases, for the last 25–30 years. Similarly, the ceiling for Special Duty Assignment Pay designed to attract highly qualified volunteers to recruiting duty has not been adjusted since 1958, and the Family Separation Allowance designed to cover the additional expense of maintaining two households when a service member is required to serve overseas in an unaccompanied status has not been adjusted since 1963. The rates for all of these should be established based on today's requirements. Additionally, the Marine Corps supports an additional 25 percent increase in Aviation Continuation Incentive Pay (ACIP) to help overcome the existing shortage of 534 pilots—about 14 per cent of total requirements. Even with this increase and a consistent achievement of planned training rates. it is estimated that requirements for Marine pilots will not be satisfied until the late 1980's.

The Bachelor Lease Housing Program, in which government leased housing is provided for eligible personnel assigned to high cost areas, continues to be essential. For this reason, we are seeking an increase of 72 quarters in fiscal year 1982 in areas where the present bachelor quarters allowance plus variable housing allowance still are insufficient to cover the cost of adequate quarters.

One of the most successful programs we have initiated in the past several years is a system of deploying certain infantry and aviation units to the Western Pacific and the Mediterranean for six month periods, replacing them at the end of that deployment with a similar unit from the same station, and returning the first unit to its home base, where its members rejoin their families and friends. This system is a change from the previous system of individual replacements. The payoff in terms of unit pride and overall morale has been everything we expected. However, the law presently requires that individuals, who can take only a limited amount of personal baggage with them, fund the cost of storing their personal possessions. Additionally, if the deployment is aboard ship for more than 90 days (as, for example, a part of an amphibious ready group in the Indian Ocean and Western Pacific) the individual loses his entitlement to quarters allowance. Since we need the billeting space at the home base for the returning unit. the individual gets caught in the middle. He can't keep his gear in his home camp, is not paid an allowance that could offset the cost of storage, and can't take it with him. We are proposing legislation to fix this situation and would be most appreciative of your support.

A final comment on the subject of special pay and bonuses for special purposes as a part of overall military compensation: we need to be as precise as possible in targeting special pay, but we must recognize that it is an adjunct to a basic pay line that is the fundamental source of income for most Marines. We have a lot of infantrymen, artillerymen, radio operators, cooks, intelligence NCOs, truck drivers and mechanics, aircraft crew chiefs—and literally dozens of other specialties that make up the backbone of the Corps—whose entire pay is represented by basic pay and allowances, with no bonus.

As we target special pays to fix special problems, we in the Marine Corps are equally mindful—perhaps even more mindful because of our fundamental conviction that the ordinary Marine is a unique individual who gives us our strength—that basic pay and allowances are the framework on which other special incentives can be added selectively. We need to keep that framework strong.

We are convinced that the All-Volunteer Force can be sustained in the near term if military compensation and benefit levels permit service life to be economically competitive with the private sector. We solicit your strong support for the necessary improvements to attain that goal.

Mr. Chairman, this concludes my prepared statement. I will be pleased to answer any questions that you might have.

General LUKEMAN. To summarize and add emphasis to the remarks of General Tice, General Usher, and Admiral Hogg, we think that the most important improvement and one that will continue the momentum that we have gained in the past year and probably do more than anything else to convince marines that things really have turned around is the 5.3-percent basic pay raise which has been requested for the 1st of July. Very closely associated with that is making sure we can provide the full cost-of-living increase to all hands next October.

BONUSES AND SPECIAL PAYS

Bonuses and special pays are important. In some cases they are critically important. Our emphasis in the Marine Corps, however, is first on the great majority of marines who don't get a bonus—for the most part our infantrymen, cooks, truck drivers, motor transport mechanics, C-130 maintenancemen, radio operators, and dozens of other specialties that make up the backbone of the corps. Only 14 percent of marines are serving in enlistments today for which they receive a bonus, so keeping the basic pay line healthy is our top priority.

Probably next in importance would be to make sure we don't underfund the cost of permanent change of station moves. I think that has been adequately addressed this afternoon.

Then we need to fix the various incentive pays that Admiral Hogg discussed which has gone so many years without an increase—family separation allowance, explosive ordnance disposal, and parachute duty, to name examples.

Medical and dental care for dependents is a high priority. We can make the current CHAMPUS program more effective and we need a dental program; we lag behind the private sector here and we need something that can pay the kinds of dividends in terms of morale, retention, and the basic well-being of our people that an adequate dental plan will provide.

The Secretary of Defense has stated his position on the change in the educational benefit program, which of course is another area of great interest.

Finally, a matter of particular interest to the Marine Corps. The law presently requires that individuals who can take only a limited amount of personal baggage with them when they deploy for extended periods as part of the Marine Corps' unit deployment program, can't be reimbursed for the cost of storing what they don't take. Limited warehouse space at their home base keeps us from storing those things for them. We are proposing legislation that will fix this and we would be most appreciative of your support.

Sir, that concludes my informal remarks. I will be happy to participate in answering questions.

Senator Jepsen. Thank you.

Senator Nunn, you may proceed.

Senator Nunn. Mr. Chairman, I did not get to hear all the opening statements. I just want to ask a couple of questions.

NUNN-WARNER BILL

As all of you know, we struggled long and hard last year and got several very meaningful compensation measures through, including the so-called Nunn-Warner bill, including the 11.7, plus some special sea pay and flight pay and other special pays. Of course there is no doubt about the fact in my mind that that was needed. The thing we keep hearing over and over again, we heard last year and we are hearing it again this year, in reference to the new pay increases which have been proposed, and I know there is certainly some validity to this, but the statements were contained in General Clarke's particular statement and I quote again, There was a need to "restore the relative pay parity that existed at the inception of the All-Volunteer Force in 1972."

There is no doubt about the fact, and the figures show this, that that overall parity has eroded but we have gone quite a way in catching up with it, I think everybody will concede, last year. We have not made it all the way but we have caught up. There is a common misimpression abroad in the land I think about what that means to the individual who was in in 1972. For example, the regular military compensation—and none of these figures include anything about bonuses or special pay, this is just what we call RMC—in 1972 for a new recruit was $5,116 according to my figures.

You correct any of these you want to if they are wrong. That was because there had been a large jump in 1971, 48 percent in 1971 November, and 6 percent in January 1972. Is that approximately correct, General Tice.

General Tice. Yes, sir, that is correct.

COMPUTATION OF MILITARY WAGES

Senator Nunn. Since 1972, if you look at this disastrous inflation we have had in this country the total inflation and cost of living has gone up about 111 percent. I think the thing that all of us need to keep in mind when we are looking at these figures and when we are trying to struggle with the question of pay this year and both this summer and fall, that new recruit has been in the military since 1972 for 9 years, and I have had the staff do a computation about what he would be making or she would be making today if they are a typical soldier or sailor or marine or airman with a typical promotion rate, and I am sure there are some on both sides of the scale but this would be typical.

That particular individual if he is still in the service would be making $16,620 in 1981. Now that is a 225-percent increase since 1972. If we go with a 5.3-percent increase proposed for July, the 9.1-percent increase that is talked about for October, that would mean that that particular individual who is making $5,116 in January 1972 based on the cost-of-living increases, based on the promotion rate, the step increases, longevity, all these things combined—I am not talking just about cost of living—if we go with those two pay raises that particular individual will be making over $19,000 or an increase of 273 percent since 1972.

Of course that is more than twice the Consumer Price Index in that time. Again that does not count any sea pay, that doesn't count any special pay at all.

Now if you go to an E–2, in 1972 the individual would have been making $5,542. In 1981, which doesn't count any pay raises for 1981, that individual typically would be making $16,759 and would be a staff sergeant which would mean that their change had been about 202 percent, which again is not quite twice the CPI but certainly substantially above the CPI.

An E–3 in 1972 would have been making $5,894; in 1981 would be making $17,249 or an increase of 193 percent, again well above the cost of living.

A corporal would have been making $6,529 in 1972; in 1981 would be making $17,300 which would be plus 174 percent, still well above the cost of living.

A sergeant E–5 would have been making $7,769, now in 1981 would be making $19,450, plus 150 percent. That would again be well above the cost of living.

E–6, $9,691 in 1972; $22,278 in 1981, a 132-percent increase.

E–7, $11,185; $26,604, 138-percent increase.

E–8, $12,948; $28,744, a 122-percent increase.

A sergeant major, $15,121; $29,026, a 92-percent increase, actually an actual decrease below the cost of living.

Now before I ask the question, just going a little further, a lieutenant in 1972 would have been making $9,201, in 1981 that lieutenant would now be a captain typically and would have had an increase of 233 percent in pay or $30,678. O–2, $11,652 in 1972, $33,306 in 1981, an 186-percent increase.

O–3—I won't give all the figures but it would be a 147-percent increase.

O–4, who would now be making $42,860 would have been making $18,142. That is a 131 percent increase.

O–5 in 1972 would now be a colonel and would have gone up by 147 percent.

An O–6 would have gone up less than the cost of living, 105 percent.

I recognize two fundamentals here. One is a lot of those people are no longer in the service because they retired. Of course their retirement has also been completely indexed. I am not talking about those people. What we are talking about is that the higher up the scale you go the more erosion there has been in the actual pay scale. The ones who are really behind are those at the top of the enlisted rank and those in the colonel and lieutenant colonel categories in the officer corps. That raises the essential question I think, when we are having tremendous problems in retaining people, particularly in the middle grade enlisted, whether we really ought to have a cost-of-living, across-the-board increase or whether it should be targeted, whether it should be targeted to cover the particular problems that we are having.

I particularly make reference to the Navy. We are about to increase the Navy's shipbuilding in a very significant way, which I agree with. We all know, and we showed this in hearings the other day, that the only way the Navy can possibly get enough people to fill this, even if you had a hundred percent retention of the 13- or 14-year experience level, the only way you can get 18- and 19-year-old experienced people—they are not in there now—is to draw people from the outside, draw people that are already retired or already dropped out. That is the only way the Navy can make it in the next 5 years.

The question I am asking is, first of all do you see any inaccuracies in this? Second, do you think we ought to consider targeting this pay raise in the areas where we have the greatest deficits and where obviously the greatest inequities have been over the last 9 years?

General TICE. Senator Nunn, I would take issue a little with you on the means of going with cumulative years of service to show a relationship of E–1 through E–6 as a percentage increase related to the inflationary index. I think a better approach would take an E–6 in 1972 and compare where he stands today.

Senator NUNN. The point I am making is that he is no longer an E–6 today.

General TICE. That is correct.

Senator NUNN. You are saying where that E–6 stands today as opposed to where the E–6 stood 9 years ago?

General TICE. Yes, sir.

Senator NUNN. I know that. That is certainly a valid way of comparison. There is nothing invalid about it. To look where we need the money I think you have to take a look at what has happened to the individual human being too. The E–6 does not get paid; John Doe gets paid. John Doe was an E–6 but is no longer an E–6. When you talk about people dropping out you are talking about people who are frustrated because they don't feel that they are keeping up with the cost of living or they don't think they are being treated equitably commensurate with their job responsibilities.

General TICE. Yes, sir. Senator Nunn we are looking at some pay line adjustments to differentiate perhaps a little better in salaries in the middle officer grade and senior NCO grades. I think if I were an E–6 today or an O–2, I would look at my relative position in relation to other occupations or options for me. When you ask whether I find fault with the computation you give me, that would be my only disagreement. I would prefer to see what the E–6 made in 1972 versus what he makes today versus the private and then now as an E–6.

We looked hard at that. You know the authorization for reallocation is usually contained in pay authorization legislation to the President. We have that authority in current legislation to reallocate some of those moneys for pay line adjustments. To date we have not seen fit to identify in a finite way as to how we might do that. There have been some suggestions that you give less of the pay raise to E–1's and E–4's and take the differential in whatever the cost of that pay raise and put it in the upper grades.

I don't think the Department is ready to come forth with the recommendation.

Senator NUNN. How do you personally feel about it?

LARGER PERCENTAGE OF MARRIED SOLDIERS

General TICE. I am not bothered by it, after having commanded an infantry division of 18,000 troops where a majority were E-4's, E-3's and E-1's, I think what we find with these young soliders is some level of expectation when they joined that does not come to fruition. Part of that problem I am sure, is related to the fact that we have a large percentage of married soldiers we did not have in the past. They have greater financial responsibilities than they certainly had in the old army.

I am not sure that we have really come to grasp with those kinds of challenges before us today. I know that this creates a lot more social challenges for us in dealing with these family-related matters than we have had in the past. Certainly some of the problem is translated into inadequate pay in those grades.

Senator NUNN. My major point here would be that there is a common perception in the news media and all over that the individuals in the service have suffered great harm because of the erosion in the standard of living. I think it is more appropriate to say that the particular grades have suffered more erosion than the individuals in the service in 1972 have.

I think that is certainly a more appropriate reference. It also brings into question, and frankly I don't think the military has come to grips with those of the Department of Defense, that we are in a technological age now. You are absolutely right that man or woman is going to look and determine what they can do on the outside. Our highly trained skilled people, whether they are computer repairmen or repairing F-15's or F-4's, those people are in great demand and they can do better. I think the military is going to have to recognize that you can't compete in the free enterprise system for computer operators or repairmen successfully and keep the old military tradition that everybody of a certain rank, no matter what their skill level, makes the same pay.

COMPETING WITH FREE ENTERPRISE

You are combining an effort to compete with a free enterprise system for highly skilled jobs with an old military tradition that everybody is an E-4, whether they are doing a menial job or doing a skill job make the same thing. I know you try to remedy some of that with bonuses. We don't hear about the bonuses when you come here to testify. All we hear is RMC, basic pay and regular military compensation. We don't hear the bonuses when you talk about food stamps. All we hear is RMC. I think that is what your people out there see to. I am just saying I really think, as we struggle with these problems and we put more money in them, and I am for that and have taken a lead in it, that we need to recognize we are operating in some rather modest circumstances with some rather antiquated pay structures.

General TICE. Sir, I think you helped us very much last year in extending to what we call zone C for the selected reenlistment bonus. One of the real challenges ve have is the petty officer shortage in certain of those skills where the individual who would have reenlisted at 12 years and lost $280 a month in special pay.

You have corrected that for us. I think the differential that you are seeking in those highly technical and critical skills is accomplished in the form of bonuses. Now the total bonus money does not make up a very large percentage of the total pay and allowance funding levels that we have. We do have programs, for example, in 1981 about 56 percent of those serving in the Navy would qualify for some kind of special reenlistment bonus.

Senator NUNN. I know the bonuses are important and I think that is one way of mitigating damage I am talking about. I believe we are being shortsighted if we think we can pay in the military enough to retain a computer operator, highly skilled, on the basis of strict comparison with what he can make on the outside and then take everybody at that level, no matter what their skills, some of them are in skills that would not pay more on the outside, and raise them at the same level. I don't believe there is much soul searching on how we pay people in a technological age.

General TICE. I think we have. In the budget submission this year, and for 1982; we have increased substantially the number of eligibles as well as the skill ratings that are going to be authorized for the selective reenlistment bonus. For example, in zone C, which would be 12 or more years of service, 5 percent of those reenlisting in the Army are programed to receive the special pay, 14 percent of the Navy, and 22 percent of the Air Force. That is a very substantial number that we have in those critical skills.

Senator NUNN. I agree with that, but I think that is a one-shot kind of reenlistment thing. I don't think the perception of that particular person who gets that reenlistment bonus is the same as that particular individual who receives skill pay. I know psychologically the bonus is looked upon as important. That is not the same thing as giving a real look. I am not saying I have the answer. I am saying we have a huge problem in a technological age. We have a problem with perception and we have a problem with actualities.

I see more and more of the perceptions of what is happening and further and further divorced from what the actual figures show.

General TICE. We value your counsel and we certainly will take a hard look at that in our review.

Senator NUNN. Thank you, Mr. Chairman.

FAILURE TO COMPLETE OBLIGATED SERVICE

Senator JEPSEN. Last year the committee expressed deep concern over the large number of people who received enlistment bonuses, but failed to complete their obligated period of service. Moreover, the committee was alarmed that the Defense Department recovered its lost bonus money in only one out of eight cases. General Tice, how many recruits received an enlistment bonus in fiscal year 1980 and then how many of them did not complete their service obligation?

General TICE. Sir, I have some amounts here. We do very well on recovering on failure to complete the obligation of the reenlistment bonus. We have been less successful on the enlisted bonus side. However, I think you understand that we do not pay that enlistment bonus until they have finished their training and have been awarded that particular skill. In 1980, the Army, for example, paid out $243 million in bonuses. We recovered only 12 percent. We had $11.7 million lost and we recouped only $1.4 million of it. We are taking a look to see what other options we have available for returning those moneys. You understand, those that we don't recoup fail to complete term of service and leave under less than honorable conditions prior to the completion of their term of enlistment. I would like to provide you for the record a little more detailed explanation of that.

Senator Jepsen. I understood you to say you recouped about 12 percent which amounts to roughly $12 million.

General Tice. Twelve percent was recouped.

Senator Jepsen. And a loss of $11 million?

General Tice. Yes, sir, of the total $243 million paid out in bonuses they were individuals who had received about $11.7 million in bonuses that did not complete their term of service. We collected back $1.4 million of that.

Senator Jepsen. Do you have any ideas now for the record how we could improve the recoupment rate?

General Tice. Yes, sir, I would like to provide for the record an analysis of some of the things we are looking at on how to improve the recoupment.

[The information follows:]

Bonus Recoupment

We recognize that bonus recoupment is a serious problem warranting close attention. We are constantly seeking ways to eliminate wasteful practices and to improve the performance of bonus recipients. OASD(MRA&L) monitors the Services' recoupment procedures and stresses the importance of insuring strict adherence within each Service to the recoupment provisions of the bonus authorities. Our most recent effort was in the form of an MRA&L memorandum to the Service Assistant Secretaries in October 1980. However, we believe an ounce of prevention is worth a pound of cure. The management actions taken in recent years by OSD and the Services to reduce overall first-term attrition (the failure of individuals to complete their initial enlistment commitment), are paying off not only in training investment savings, increased man-years, and lower accession requirements, but also act to minimize losses of bonus recipients from whom recoupment of unearned bonus money is required.

Senator Jepsen. For fiscal year 1981 the DOD Authorization Committee authorized the Secretary of Defense to offer a continuation bonus for certain pilots and officers. General Tice, have the services reached agreement on a plan for implementation of the pilot continuation bonus?

General Tice. Yes, sir, we have two plans. The letter addressed to the chairmen of the military committees should be sent over by tomorrow or the next day, sir.

LACK OF STORAGE SPACE

Senator Jepsen. General Lukeman, in your prepared statement you say that the Marine Corps is proposing legislation to prevent certain individuals from storing personal possessions when they are deployed from their home place in a Marine Corps deployment program. You indicated that the difficulty was to find storage space and how expensive it was. Will you elaborate on the problem and for the record tell us what you believe needs to be done to correct it.

General Lukeman. Yes, sir, the requirement may seem small, but it is a particularly important one to the Marine Corps and is very easily fixed. We have made enormous strides in recent years in what we refer to as our unit deployment program where infantry battalions and flying squadrons deploy for 6 months to the Western Pacific and to the Mediterranean as units, and then return to their original home base. The system has immense advantages over our previous procedure of filling those requirements through individual replacements for 1 year unaccompanied tours. Families and marines get to establish roots at one station for 3 or more years. PCS costs are reduced as a result of that, and most important of all, the units get to stay together with far fewer individual comings and goings.

Units are stable for that 6-month period while they are overseas. The stability results in the best and most difficult form of readiness, where people know each other, leaders know the people in their units and the units know their leaders. As a result much of what they will have to do if they are committed is second nature, with leaders aware of the strengths and weaknesses of their men and the organizational procedures so that they don't have to relearn as we did under the individual replacement system.

What needs to be fixed is this. We want our individuals on these deployments to travel light. We authorize them to take 90 pounds of personal gear with them. When they leave, the unit that is returning moves into the same billeting space of the unit going out and the individual marine has to find a place for most of his gear. If he is married or a bachelor living off base and keeps his apartment, he usually keeps his gear there. If he is living in a BEQ he is stuck. We don't have the space to adequately store the gear or have authority to store it commercially.

As a result the normal combination of conditions you might expect comes about. Some marines loan or sell off their gear to marines remaining behind. Some share the cost and space with someone who has an apartment. In some cases the unit finds a place to store the gear.

We are proposing legislation to permit commercial storage of personal possessions in these cases, and that is what we are soliciting your support for, sir. The estimated cost for the Marine Corps is approximately $3 million a year.

Senator JEPSEN. $3 million?

General LUKEMAN. Yes, sir.

Senator JEPSEN. Per year?

General LUKEMAN. That is correct, sir.

Senator JEPSEN. Have you ever considered developing some mini-unit storage either on base or selected areas of the post? Has that option been looked at and explored?

General LUKEMAN. We have not looked at that option in the context of mini-unit storage, Senator. We certainly can and will be pleased to do so and provide cost data for the record.

[The information follows:]

ESTIMATED CONSTRUCTION COSTS

The estimated construction costs per battalion for a permanent storage facility of 7200 square feet would be approximately $240,000. The estimated costs per squadron for a 3600 square feet storage facility would be $180,000. By 1983 there will be 21 battalions, 19 squadrons, and numerous detachments per year requiring storage which would amount to initial costs of just over 7.4 million dollars.

Annual operating and maintenance costs and the costs of individuals to provide packing, movement and handling to and from storage, and physical security would also be incurred.

The current military construction backlog for identified Marine Corps projects is approximately 2.5 billion dollars with construction running at 130 million dollars per year. Barring other project priorities, the minimum time required to plan, program, budget, and construct the storage facilities would be 3 to 4 years. In the event that military construction is feasible, obtainable and more efficient, that option could be used. However, legislation is required permitting commercial storage pending examination of a military construction option.

Senator JEPSEN. General Tice, a proposal recently made suggested that certain items of military compensation, particularly special and incentive pays, be increased at the same time the same percentage as basic pay, basic allowance for quarters, and basic allowance for subsistence. The reason given for this is that they, too, must keep up with the high inflation of the past decade and these benefits have not kept pace with the erosion that inflation has caused.

Do you agree with this proposal?

TOTAL MILITARY COMPENSATION

General TICE. I think that there are some mixed views on that, sir. There are right now several items of manpower cost that can be considered as total military compensation if you take all the benefits and allowances and include health care and things like that. Now some of these are indexed to the three elements of the RMC in exactly the manner suggested and they are properly referred to as drag-alongs. The primary objection to the drag-along procedure is that it contributes to inflexibility. I would be less than candid to say that there is not total agreement about these special incentive pays and how they ought to be administered. If you don't index them to increase in an inflationary economy, then most assuredly you ought to go back every several years and take a look to see whether they are accomplishing the objective for which designed.

Senator JEPSEN. General, in the All-Volunteer Force environment—really, I go back to what was touched on earlier—do you think the Government ought to be paying all the costs associated with separation and travel and moving of household goods?

General TICE. Sir, as you know, most of those provisions are contained in current statutes for what happens to an individual when he is separated or discharged.

However, I think that we are reviewing what some other alternatives might be. I think that many would choose Hawaii to receive their discharge and make that long travel in order to draw the pay. As you know, we do not move any household goods or we do not pay any separation or home destination charges for the dependents and family until they complete that move. We do however, because it is in current entitlement, pay the cost of moving the individual on whatever rate that is to his home of record. I think that is the issue you are addressing, sir.

Senator JEPSEN. We keep talking about comparability. I question that private industry offers this benefit to those who choose to leave;

in other words, if they resign from a company to take a better job, or for whatever the reason may be. I am constructively trying to explore this. I am looking for some ways to try to save some money. I don't think that is in the contractor cost of doing business to pay somebody for leaving.

General **Tice**. I think right now and, of course, by law, we are authorized to pay for bringing them in and also sending them home.

Senator **Jepsen**. I guess my question is, Do you think the law should be changed, especially in the latter case?

General **Tice**. I am not sure that the cost of administering a program that would act for all of the possible combinations of choice would save us that much money. That is something we can certainly take a look at, sir.

Senator **Jepsen**. Another question along the same lines. Should we pay travel and moving allowances to those who, in fact, do not travel subsequent to their release from active duty?

General **Tice**. No, I do not think that we should, and we don't, to the dependents and the households who do not make the move. They do not collect. They submit a voucher after the move is completed. General Usher may add some light on that.

General **Usher**. If I may, Mr. Chairman, there are a couple of points that may be useful to you here. One of the considerations, as I understand it, in the history of this is when a young person comes to the end of his enlistment and decides to not reenlist, there is some concern as to whether that person actually has the money to get home. I am told our experience shows that perhaps many of them do not. We feel that we have some sort of obligation to get them back to their home. Now we choose the home of record as something of a kind of compromise in order to discourage a person choosing a place far distant from where they get out of the service. We just arbitrarily light on the home of record, if you will, as being on the average, I guess, equitable.

There are some people who, in fact, don't make the move. As I understand it, there is some question as to whether we really have the capacity to police that, if a person tells us that he made the move and in fact did not and do we have the wherewithal to follow up and prosecute and so forth.

I think it is an area that we need to look at. My point in bringing these things up is that it is something that has been considered before and our present arrangement is something of a compromise between administrative cost, ability to enforce, and trying to strike an equitable average for those people leaving the service.

Senator **Jepsen**. Hunting for money, as we are all doing, maybe we could make it more equitable or increase the amount we allow for permanent change of station and this might be one source where commonsense dictates you could do that. We were talking earlier about the cost of moving from Washington to California and allowance by the military of $1,400. Interestingly enough, United Air Lines can fly a family of four from here to there for $1,436. I know that is in the days of higher cost of gas, and so forth, you can point to and say that makes things all fair and square. It is more expensive to stay on the road a number of days with a family than it is to fly at commercial rates.

I did want to get that in the record since we talked about $14,000 which I think is maybe a little——

General TICE. Mr. Chairman, I think that is an issue that we need to examine and we will do that.

RELIEVING PAY COMPRESSION

Senator JEPSEN. Following up what Senator Nunn was pursuing earlier and has been mentioned by the way also by several of the panel members today, in an effort to relieve pay compression: As you know, this committee amended the fiscal 1981 DOD authorization bill to allow the President to reallocate up to 25 percent of the 11.7 pay raise by grade and years of service. How much of that 11.7 percent pay increase was allocated in this way?

General TICE. None of it was, sir. By way of explanation, I think our difficulty on the reallocation using annual pay increases to do that is a problem for us. I think that our approach is to take a look at the pay line adjustments independent of the pay increases to try to solve that problem.

Senator JEPSEN. What you are saying is that the DOD is essentially, for their own good reasons, unwilling to use the reallocation authority?

General TICE. The reallocation authority was used in 1975 and 1976. Twenty-five percent was reallocated in 1975, not the pay line adjustment but BAQ and BAS, and 12 percent was used for reallocation in 1976 for the same purposes.

Senator JEPSEN. If granted the authority, do you think that DOD will reallocate any of the proposed 5.3-percent pay raise?

General TICE. We are not prepared to do that at this time, sir.

Senator JEPSEN. Then it would not make much difference whether we extend the reallocation authority or not.

General TICE. That is correct, sir, for the 5.3 percent.

Senator JEPSEN. If the DOD is not willing to do this now, would you for the record again tell me how you would suggest or propose to remedy the worsening problem we have with the pay compression?

General TICE. I think the pay compression is alleviated somewhat with our bonus program. We have taken a look at the pay line adjustments so that there would be a decided advantage that would be seen in the pocketbook with your pay when you are promoted from corporal to sergeant and the differentiation between those middle grades of NCO's is not what it should be, partly because of the hierarchy of the military when you start with the compression at the top and work down and then the problem of pay inversion between the senior NCO's and the junior officers.

Senator JEPSEN. In 14 days according to our information the DOD is going to submit its recommendation to improve the method for determining adjustments in pay allowances to the members of the uniform services. Have you been working on this?

General TICE. Yes, sir, but pay line adjustment was not included on how we arrive and how we compute the pay adjustments each year for pay increases.

Senator **Jepsen**. Without getting into the study, because the study is coming, can you tell us what the status of the study is? Will it be here in 14 days?

General **Tice**. In 14 days, we will submit to the Congress our proposals, that is correct, sir.

Senator **Jepsen**. Do any of you have any final statements before we close this hearing that you would like to make for the record?

General **Tice**. I don't think so at this time, sir. I would just make one final comment. You know in my opening statement I referred to the legislative contingency of $370 million. Of course we are examining a lot of options that would exceed that cost. For this current budget submission the Department of Defense has not finalized the details of those specific programs that will be included in that contingency. They will be forthcoming within the next 90 days.

Senator **Jepsen**. I think, as you know, and as you have indicated, the climate is a new day in the halls of Congress in more ways than one, certainly for the military, after the number of years where there has been degradation and decline in the readiness posture and a lot of the problems that we have experienced with lack of O. & M. funds and many of these things that we talk about, sailing hours, flying hours, all of these things that affect morale.

The message we sent last year was the first signal, the first step in the right direction. In the next 4 or 5 years of this window of vulnerability that we live in we are working for the same thing and that is a level of defense that will maintain and keep the peace and prevent war, and the individual men and women of our services are key to that.

Realizing that, I assure you that this committee will do everything it can to work with you and will seek your counsel and your views, in fact we invite it. Please don't hesitate. You don't have to wait for a hearing to give it to us. We are all concerned and interested in attaining the same results; that is, arrival at a place where our men and women in uniform in this country feel good about being in uniform and are appreciated in fact by the people in this country for what they are really doing, the great service that they are performing. To that end I pledge our efforts.

[Questions with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR J. JAMES EXON, ANSWERS SUPPLIED BY GEN. DEAN TICE

Senator **Exon**. You stated that there were approximately 50 items of military compensation in the budget. Will you provide a list of these items, a short explanation, and the cost of these items in fiscal year 1980, fiscal year 1981, and fiscal year 1982 (Reagan Budget submission)?

Answer. Total military compensation includes a wide variety of items ranging from basic pay and allowances to special pays, reimbursements, retirement benefits, and dependents' health care. Obviously, not all of the items listed below (with budgeted amounts from fiscal year 1980 to fiscal year 1982) are received by every service member.

Specific information relating to most of these items may be found in House Armed Services Committee print 95–33: "Pay and Allowances of the Uniformed Services pursuant to Title 37 . . . as amended through June 30, 1977." (The print will be updated later this spring.) Retirement and CHAMPUS benefits are authorized in Title 10.

[Dollar amounts in millions]

	Fiscal year—		
	1980	1981	1982
Regular military compensation:			
Basic pay	$19,323.8	$21,865.2	$22,311.5
Basic allowance quarters	2,327.1	2,645.1	2,710.3
Basic allowance subsistence	1,381.7	1,691.0	1,810.0
Subsistence-in-kind	804.2	859.6	887.0
Variable housing allowance	0	621.1	641.8
Special and incentive pays:			
Aviation career incentive pay	168.2	246.4	247.6
Enlisted crew member flight pay	23.4	29.2	29.3
Noncrew member flight pay	4.7	5.4	5.5
Flight duty continuation pay	0	41.0	59.0
Parachute jump pay	21.4	21.7	21.7
Demolition pay	2.6	2.8	2.8
Physician special pay	26.9	0	0
Physician continuation pay	.4	0	0
Physician variable incentive pay	36.6	0	0
Other physician pays	84.3	177.8	181.9
Dentist special pay	12.6	12.7	12.5
Dentist continuation pay	23.8	25.8	26.6
Optometrist special pay	.6	.6	.6
Veterinarian special pay	.8	.7	.7
Sea-duty pay	26.9	136.4	173.1
Submarine-duty pay	24.4	45.2	52.5
Diving-duty pay	2.5	2.5	2.5
Duty at certain places pay	26.1	26.6	27.1
Regular reenlistment bonus	8.9	5.3	2.2
Variable reenlistment bonus	.3	0	0
Selective reenlistment bonus	329.9	582.1	628.5
Proficiency pay	40.7	45.8	91.6
Enlistment bonus	50.6	76.9	116.3
Overseas extension pay	0	1.3	2.5
Nuclear career annual incentive pay	7.2	12.6	13.9
Responsibility pay	.6	1.2	1.2
Reimbursements:			
Uniform/clothing allowance	358.1	347.3	423.5
Overseas cost of living adjustment	176.0	151.8	146.4
Overseas housing allowance	189.2	190.6	174.7
Overseas temporary lodging allowance	67.9	75.3	81.9
Family separation allowance—PCS	24.8	36.8	37.3
Family separation allowance—Afloat	5.6	6.5	6.5
Family separation allowance—TDY	5.3	6.0	6.0
PCS travel—Household goods	1,031.5	1,248.1	1,456.0
PCS travel—Dislocation allowance	60.6	73.7	74.2
PCS travel—All other	689.9	1,056.5	1,361.2
Separation payments	282.0	297.9	298.4
Social security costs	1,171.9	1,412.3	1,481.2
All other costs, military personnel appropriations [1]	98.9	104.1	105.3
Less reimbursements to DOD	314.7	322.5	324.1
Other benefits:			
Nondisability retirement [2]	10,467.1	12,229.6	13,790.6
Disability retirement	1,196.5	1,324.9	1,570.2
Survivors' benefits	256.1	333.2	387.4
CHAMPUS	678.1	874.2	909.5

[1] Includes other special and incentive pays, MIA and POW costs, and costs for apprehension of deserters, death gratuities, cadets.

[2] Includes Fleet Reserve retirement.

RETENTION AND REENLISTMENT RESULTS

Senator EXON. For the record, please have each service furnish a comprehensive breakdown of retention and reenlistment, including actual number and percentage of reenlistment by rank and pay grade, first, second and third-term reenlistment, as well as all of this information broken into reenlistment by skill areas. Please provide this data for fiscal years 1972 through 1980.

ARMY

General TICE. A comprehensive breakdown of reenlistment data for each Army Military Occupational Specialty displayed by rank and pay grade, first, second and third term reenlistments cannot be provided. However, segments of this information are available and shown in the following tables:

ACTIVE ARMY UNADJUSTED REENLISTMENT RATES

Career management field (CMF)	Fiscal year 1974 [1]		Fiscal year 1975		Fiscal year 1976		Fiscal year 1977		Fiscal year 1978		Fiscal year 1979		Fiscal year 1980	
	Re-up	Rate	Re-up	Rate	Re-up	Rate	Re-up	Rate	Re-up	Rate	Re-up	Rate	Re-up	Rate
11 Infantry	6, 781	55. 7	8, 870	56. 1	4, 832	48. 3	7, 916	50. 6	9, 281	56. 7	11, 900	54. 5	9, 562	63. 3
12 Combat engr	1, 043	39. 5	1, 430	39. 6	1, 139	32. 5	1, 675	46. 6	2, 084	54. 1	2, 132	49. 4	1, 988	55. 2
13 Field arty	2, 680	44. 0	3, 653	33. 4	1, 865	35. 2	3, 724	48. 4	4, 761	56. 0	5, 591	52. 5	5, 197	63. 4
16 Air defense arty	1, 253	25. 2	1, 382	27. 8	1, 266	34. 6	1, 658	59. 3	2, 439	62. 6	2, 575	53. 7	2, 059	67. 1
19 Armor	2, 335	57. 6	2, 986	42. 3	1, 728	52. 4	2, 702	50. 3	3, 383	59. 2	3, 999	54. 2	3, 232	61. 3
23 Air dfns msl mut	635	49. 0	768	49. 6	668	40. 2	612	56. 0	670	58. 5	666	60. 6	790	59. 8
27 Ball/ and cmbt msl and lgt ad wpn sys mntn	180	32. 5	222	34. 5	256	46. 2	305	47. 1	355	54. 0	380	55. 2	416	54. 2
28 Aviation cmn elec	458	42. 9	346	50. 8	278	54. 2	345	52. 4	296	43. 7	270	55. 0	272	52. 7
29 Cmn elec mntn	1, 929	45. 0	1, 791	47. 6	1, 495	50. 1	2, 034	52. 4	1, 941	52. 8	1, 761	59. 3	1, 756	62. 7
31 Cmn elec lps	3, 748	40. 0	5, 193	43. 2	4, 309	41. 0	6, 576	49. 8	6, 490	50. 9	6, 886	56. 9	7, 131	61. 9
33 EW/INTCPT sys mnt	153	39. 7	123	43. 0	94	54. 3	137	38. 1	78	32. 2	105	43. 9	115	42. 6
51 Gen engrng	1, 286	34. 5	1, 577	50. 8	1, 164	34. 7	1, 473	38. 9	1, 384	37. 9	1, 437	49. 3	1, 799	50. 1
54 Chemical	160	53. 2	144	52. 0	149	63. 4	190	66. 7	231	71. 1	360	72. 6	616	79. 3
55 Ammunition	485	40. 3	488	49. 0	441	52. 7	586	62. 7	582	61. 1	634	65. 4	544	69. 3
63 Mech maint	4, 697	40. 8	6, 895	47. 9	4, 743	35. 2	6, 625	45. 7	6, 033	56. 9	7, 052	59. 5	7, 612	55. 3
64 Transportation	2, 575	45. 2	3, 699	49. 5	2, 584	42. 3	3, 082	53. 0	3, 263	49. 9	3, 532	49. 5	3, 734	61. 9
67 Aviation maint	1, 995	37. 6	2, 008	56. 4	1, 792	56. 4	2, 787	52. 5	2, 493	47. 3	2, 340	57. 8	3, 026	63. 7
71 Administration	6, 085	43. 0	7, 736	43. 3	5, 751	44. 7	6, 996	58. 0	7, 119	59. 6	7, 214	66. 6	8, 385	68. 7
74 Auto data proc	842	47. 1	956	54. 7	610	47. 4	759	49. 7	658	58. 6	543	59. 7	578	66. 2
76 Supply and service	4, 263	46. 2	5, 329	56. 2	4, 505	48. 6	6, 620	58. 2	6, 090	57. 1	6, 078	67. 7	6, 945	71. 0
79 Recrtmt and retntnl	1, 489	94. 8	1, 470	95. 5	1, 395	92. 3	1, 323	96. 6	1, 457	88. 0	1, 012	85. 1	1, 297	86. 5
81 Topographic engr	165	32. 6	187	33. 5	133	29. 2	169	45. 8	164	42. 6	160	48. 5	177	61. 9
84 Pub aff and audio-visual	357	39. 0	450	41. 4	359	35. 1	448	41. 9	338	45. 6	322	53. 0	433	60. 5
91 Medical	3, 840	41. 9	4, 528	44. 5	3, 393	36. 5	3, 987	50. 8	4, 061	48. 8	4, 710	51. 6	5, 458	60. 8
92 Petroleum	191	39. 6	241	51. 5	200	43. 0	328	54. 4	363	51. 9	419	62. 5	585	60. 4
94 Food service	2, 710	56. 7	3, 326	54. 4	2, 433	60. 9	3, 062	74. 7	3, 487	70. 2	3, 075	61. 6	3, 345	67. 7
95 Law enforcement	1, 787	26. 6	2, 479	32. 7	2, 325	39. 7	3, 175	42. 1	2, 463	40. 2	2, 704	42. 3	2, 889	51. 4
96 Military intell	809	42. 0	788	39. 7	569	45. 5	681	53. 0	888	57. 3	883	56. 3	759	55. 3
97 Band career	246	37. 3	341	43. 2	296	45. 0	440	54. 3	469	50. 1	391	56. 3	427	65. 9
98 Cryptologic opns	855	39. 7	863	46. 5	688	31. 8	866	39. 1	865	37. 8	859	47. 6	1, 084	60. 6
Other	1, 741	33. 9	1, 080	32. 5	541	17. 0	516	56. 1	380	20. 9	1, 383	54. 1	587	74. 1
Total	57, 773	43. 2	71, 349	45. 8	52, 001	42. 4	71, 797	51. 8	74, 566	53. 9	81, 373	56. 2	82, 798	62. 3

Note: CMF data for the periods fiscal year 1974 through fiscal year 1978 are based on estimates since data was maintained by DOD career group rather than by Army CMF. A similar breakdown for fiscal years 1972 and 1973 is not available. Reenlistments exclude extensions of 3 or more years.

[1] Reenlistment data does not include an additional 4,542 reenlistments that were top-loaded into the enlisted master file in June 1974 as catchup reenlistments due to delinquent processing.

ACTIVE ARMY "UNADJUSTED" REENLISTMENT RATES

	Fiscal year 1972		Fiscal year 1973		Fiscal year 1974 [1]	
	Re-up	Rate	Re-up	Rate	Re-up	Rate
1st term (RA):						
E-9						
E-8						
E-7						
E-6						
E-5						
E-5	6,168	9.8	5,376	37.3	3,233	32.9
E-4	5,680	9.1	10,784	39.0	15,609	32.7
E-3—E-1	2,473	17.1	3,556	35.0	3,099	24.4
Total	14,321	10.2	19,716	37.7	21,941	31.2
Career:						
E-9	641	84.3	757	93.1	671	95.6
E-8	1,971	81.9	2,394	92.9	2,505	96.2
E-7	7,754	82.8	8,719	92.7	9,282	95.2
E-6	8,656	66.9	9,183	79.1	11,667	85.7
E-5	5,239	21.3	6,491	43.0	9,235	57.1
E-4	875	11.3	921	19.0	1,831	33.5
E-3—E-1	109	4.6	171	7.0	129	13.3
Total	25,245	41.9	28,636	61.2	35,320	71.7
AUS (draftees):						
E-9						
E-8						
E-7						
E-6						
E-5	149	.6	60	1.3	25	22.5
E-4	214	.2	303	.9	379	3.6
E-3—E-1	681	3.8	865	9.6	108	3.1
Total	1,044	.8	1,228	2.7	512	3.6

	Fiscal year 1975		Fiscal year 1976		Fiscal year 1977	
	Re-up	Rate	Re-up	Rate	Re-up	Rate
1st term (RA):						
E-9						
E-8						
E-7						
E-6						
E-5	269	38.4	2,735	25.1	3,536	38.8
E-4	22,369	39.3	10,147	22.1	17,246	33.4
E-3—E-1	4,866	33.9	1,757	13.9	1,602	23.6
Total	31,504	38.3	14,639	21.1	22,384	33.1
Career:						
E-9	592	96.9	666	94.7	738	99.7
E-8	2,001	94.3	2,129	94.4	2,369	99.3
E-7	8,055	94.1	7,316	94.1	8,326	94.9
E-6	12,115	87.7	11,788	85.2	14,074	81.4
E-5	12,258	65.8	11,763	61.9	17,268	61.8
E-4	3,912	53.6	3,425	43.0	6,408	48.6
E-3—E-1	281	20.3	229	15.8	230	28.3
Total	39,214	74.8	37,316	70.4	49,413	69.5
AUS (draftees):						
E-9						
E-8						
E-7						
E-6						
E-5	38	12.2	15	32.6		
E-4	460	2.7	26	25.2		
E-3—E-1	133	3.5	5	9.3		
Total	631	3.0	46	22.7		

ACTIVE ARMY [1] UNADJUSTED REENLISTMENT RATES—Continued

	Fiscal year 1978		Fiscal year 1979		Fiscal year 1980	
	Re-up	Rate	Re-up	Rate	Re-up	Rate
1st term (RA):						
E-9						
E-8						
E-7						
E-6						
E-5	2,788	31.4	1,938	35.0	2,086	46.3
E-4	17,535	36.2	21,385	42.8	19,798	49.6
E-3—E-1	1,629	37.3	3,740	50.8	3,669	62.9
Total	21,952	35.6	27,063	43.0	25,553	50.8
Career:						
E-9	729	100.0	699	97.6	638	92.7
E-8	2,635	99.6	2,514	97.7	2,541	94.7
E-7	8,425	96.2	7,965	95.7	8,135	93.5
E-6	14,731	81.0	13,850	81.5	14,494	84.9
E-5	18,776	60.2	20,090	58.6	21,424	63.7
E-4	7,098	49.1	8,879	49.7	9,636	51.3
E-3—E-1	220	28.5	313	28.0	377	36.3
Total	52,614	68.5	54,310	66.4	57,245	69.3
AUS (draftees):						
E-9						
E-8						
E-7						
E-6						
E-5						
E-4						
E-3—E-1						
Total						

[1] Reenlistment data does not include an additional 4,542 reenlistments that were top-fed into the enlisted master file in June 1974 as catchup reenlistments due to delinquent processing.

Note: Reenlistments exclude extensions of 3 or more years.

NAVY

General TICE. The information you have requested is provided to the degree possible in the following tables. Table I provides net reenlistment rates by rating and pay grade for fiscal year 1975 through fiscal year 1980. Net reenlistment rates were derived using the following formula:

$$\text{NET RATE}=\frac{\text{Reenlistments}+>23\text{ month extensions}}{\text{Eligibles}+>23\text{ month extensions}}$$

TABLE I.—NAVY REENLISTMENT RATES BY RATING AND PAY GRADE

[Fiscal years]

Rating	E-9	E-8	E-7	E-6	E-5	E-4	Strikers	Total
AD (all)								
1975		100.0	99.7	96.6	60.7	36.6	25.0	64.1
1976		100.0	99.3	94.3	55.7	27.0	25.5	49.0
1977		100.0	100.0	92.7	47.8	32.0	8.2	51.0
1978		100.0	100.0	85.9	43.8	27.2	7.0	48.3
1979		100.0	98.0	82.4	38.6	19.6	11.3	43.0
1980		100.0	100.0	83.4	34.7	26.2	18.4	47.1
AE								
1975		100.0	98.6	92.2	57.2	43.8	[illegible]	67.0
1976		100.0	100.0	91.3	43.6	33.7	41.5	50.1
1977		100.0	100.0	79.2	32.1	25.0	6.3	42.2
1978		100.0	100.0	73.4	29.1	23.0	4.9	40.1
1979		100.0	98.1	64.8	28.8	16.6	6.9	34.8
1980		100.0	96.5	69.8	22.0	19.9		36.5
AF								
1975	96.5							96.5
1976	97.8							97.8
1977	100.0							100.0
1978	100.0							100.0
1979	100.0							100.0
1980	100.0							100.0

TABLE I.—NAVY REENLISTMENT RATES BY RATING AND PAY GRADE—Continued

[Fiscal years]

Rating	E-9	E-8	E-7	E-6	E-5	E-4	Strikers	Total
AG								
1975	100.0	100.0	100.0	95.2	41.8	25.8	28.6	59.9
1976	100.0	100.0	100.0	100.0	36.7	29.0	18.2	50.5
1977	100.0	100.0	100.0	93.9	32.9	21.1		43.5
1978	100.0	100.0	100.0	86.0	29.3	21.6		42.8
1979	100.0	100.0	100.0	75.0	22.8	23.3	11.1	43.8
1980	100.0	100.0	100.0	78.3	29.7	28.3	14.3	41.0
AK								
1975	100.0	100.0	98.6	96.7	72.4	38.7	48.1	59.2
1976	100.0	87.5	97.2	98.4	69.2	28.0	24.3	50.3
1977	100.0	100.0	100.0	95.5	59.9	31.5	15.6	52.7
1978	100.0	100.0	100.0	90.0	60.7	35.0	6.3	57.9
1979	100.0	100.0	100.0	89.0	50.4	38.9	14.3	54.8
1980	100.0	100.0	100.0	93.8	49.2	31.8	19.4	53.6
AM (all)								
1975		98.8	98.4	94.9	51.9	34.0	24.2	55.1
1976		100.0	99.3	95.8	49.4	32.9	34.0	50.5
1977		100.0	100.0	82.4	46.6	31.4	9.8	50.7
1978		100.0	100.0	73.1	40.8	29.3	12.1	44.8
1979		100.0	97.8	71.7	35.5	24.6	15.7	39.8
1980		100.0	99.4	76.7	36.8	24.2	10.7	40.3
MA								
1975	100.0	100.0	100.0	91.2	83.3			92.5
1976	100.0	100.0	100.0	91.2	66.7			94.0
1977	100.0	100.0	96.4	94.6				95.7
1978	100.0	100.0	97.0	91.7				94.2
1979	100.0	100.0	100.0	88.9				93.5
1980	100.0	100.0	98.5	85.7				91.2
AB (all)								
1975	100.0	100.0	98.6	93.6	53.7	27.5	19.6	45.3
1976	100.0	100.0	100.0	89.7	43.2	26.2	22.4	37.8
1977	100.0	100.0	100.0	86.7	45.8	30.3	11.4	41.1
1978	100.0	100.0	100.0	85.2	45.3	31.6	7.4	42.3
1979	100.0	100.0	100.0	72.2	36.1	28.5	14.3	36.8
1980	100.0	100.0	96.5	73.5	40.7	28.0	10.0	39.6
AC								
1975	100.0	100.0	100.0	91.1	37.4	32.9	54.5	52.9
1976	100.0	100.0	100.0	78.8	41.3	27.1	16.7	48.4
1977	100.0	100.0	100.0	57.8	30.0	36.8	9.1	44.6
1978		100.0	100.0	51.5	35.1	38.8		45.2
1979	100.0	100.0	100.0	54.1	37.0	46.6	20.0	48.7
1980	100.0	100.0	100.0	57.8	35.0	44.6	20.0	47.3
• AN (nonstriker)								
1975							• 21.1	• 21.1
1976							• 20.5	• 20.5
1977							• 8.1	• 8.1
1978							• 8.4	• 8.4
1979							• 9.6	• 9.6
1980							• 7.1	• 7.1
AO								
1975	100.0	95.5	100.0	92.4	58.7	39.4	35.0	65.8
1976	100.0	100.0	97.6	94.8	47.0	33.7	31.3	50.5
1977	100.0	100.0	100.0	84.7	44.9	33.5	8.0	51.2
1978	100.0	100.0	100.0	76.6	30.4	26.5	5.3	43.5
1979	100.0	100.0	100 0	72.9	35.3	20.5	16.7	39.2
1980	100.0	100.0	100.0	74.6	33.4	24.4	6.3	40.6
AQ								
1975		100.0	96.2	67.4	79.8	50.5	46.2	71.0
1976		100.0	96.4	54.5	46.6	36.2	16.7	50.8
1977		100.0	83.3	50.3	38.7	52.5	21.4	48.8
1978		100.0	97.7	38.2	38.9	45.8	22.2	45.1
1979		100.0	87.0	34.5	42.3	47.4	63.6	43.9
1980		100.0	88.9	52.0	56.4	57.3	87.5	57.7
AS (all)								
1975	100.0	100.0	100.0	98.5	46.0	36.1	33.3	51.1
1976	100.0	100.0	100.0	100.0	53.0	31.4	35.4	47.3
1977	100.0	100.0	100.0	90.0	50.0	45.2	15.8	52.9
1978	100.0	100.0	100.0	71.7	64.4	37.1		52.2
1979	100.0	100.0	100.0	78.3	57.0	37.1	25.0	52.5
1980	100.0	100.0	100.0	84.6	44.4	27.1	18.8	49.3

TABLE I.—NAVY REENLISTMENT RATES BY RATING AND PAY GRADE—Continued

[Fiscal years]

Rating	E-9	E-8	E-7	E-6	E-5	E-4	Strikers	Total
AT								
1975		97.6	99.1	87.6	70.8	38.0	22.2	73.2
1976		100.0	99.0	85.4	51.8	36.3	29.6	57.3
1977		100.0	100.0	70.8	60.6	40.1	26.7	58.9
1978		100.0	100.0	63.1	62.8	59.3	42.1	64.3
1979		79.0	96.9	56.3	47.2	37.5	21.4	49.0
1980		100.0	97.3	54.8	57.2	42.0	44.4	56.1
AV								
1975	100.0							100.0
1976	100.0							100.0
1977	100.0							100.0
1978	100.0							100.0
1979	100.0							100.0
1980	100.0							100.0
AZ								
1975	100.0	100.0	100.0	90.9	45.9	31.6	33.3	49.5
1976	100.0	100.0	100.0	88.0	47.7	30.9	29.0	45.5
1977	100.0	100.0	100.0	88.3	58.8	29.9	23.1	49.5
1978	100.0	100.0	100.0	90.5	47.9	36.5	30.0	51.3
1979	100.0	100.0	100.0	86.0	50.3	31.8	23.8	51.8
1980	100.0	100.0	100.0	88.9	49.7	28.8	16.7	50.4
CT (all)								
1975	100.0	95.4	98.6	86.7	42.4	25.8	28.6	53.6
1976	100.0	100.0	99.2	82.1	44.3	32.2	66.7	58.6
1977	95.7	100.0	99.3	78.6	52.7	44.3	27.8	62.4
1978	100.0	100.0	100.0	75.3	58.7	36.9	4.3	60.8
1979	100.0	96.6	97.8	78.4	52.8	27.7	13.3	53.3
1980	100.0	98.0	100.0	78.1	53.9	32.8	12.3	57.1
DP								
1975	100.0	94.7	96.2	88.2	42.5	21.8	33.3	52.0
1976	100.0	100.0	97.1	87.9	39.6	18.4	27.8	41.9
1977	100.0	100.0	97.2	71.6	32.8	17.3		34.1
1978	100.0	100.0	100.0	69.5	33.1	26.3	15.0	44.1
1979	100.0	87.5	97.1	70.9	27.4	39.5	11.1	45.2
1980	100.0	100.0	93.2	76.9	44.7	43.5	5.9	58.0
BM								
1975	100.0	98.8	[illegible]	96.1	70.5	32.7	25.6	61.2
1976	100.0	100.0	[illegible]	96.0	60.1	29.2	27.8	48.5
1977	100.0	100.0	100.0	93.5	69.9	43.4	17.1	60.3
1978	100.0	100.0	99.3	86.7	53.3	30.7	13.5	49.0
1979	100.0	100.0	[illegible]	81.5	42.5	28.3	15.4	45.3
1980	100.0	100.0	[illegible]	81.2	39.9	22.3	16.5	41.1
BT								
1975	100.0	98.3	99.5	89.8	46.7	26.8	28.2	50.9
1976	100.0	100.0	98.1	83.0	26.3	26.9	22.3	38.0
1977	100.0	100.0	98.7	76.6	28.6	35.8	6.5	40.3
1978	100.0	97.2	100.0	69.4	39.1	35.9	8.8	43.3
1979	100.0	100.0	95.7	64.9	44.5	34.6	17.3	45.1
1980	100.0	100.0	93.9	74.0	29.2	31.0	23.9	38.9
DK								
1975	100.0	100.0	100.0	97.2	68.1	37.0	57.1	71.3
1976		100.0	100.0	94.9	62.6	37.3	25.9	62.3
1977	100.0	100.0	100.0	93.2	56.1	48.8	39.1	65.0
1978	100.0	100.0	100.0	92.9	53.6	46.6		60.7
1979	100.0	100.0	100.0	90.3	52.6	37.9	12.5	60.6
1980	100.0	100.0	100.0	85.3	50.9	43.0	71.4	63.6
DS								
1975	100.0	100.0	91.7	34.8	57.8	60.4	100.0	54.9
1976	100.0	100.0	95.7	35.0	73.9	64.9		62.8
1977	100.0	100.0	78.1	29.7	83.8	82.7	66.5	66.8
1978	100.0	100.0	78.8	20.4	83.6	83.0	75.0	65.7
1979	100.0	100.0	81.0	23.6	73.0	87.5	100.0	65.3
1980	100.0	100.0	91.7	25.7	74.7	86.9	100.0	69.8
EW								
1975	100.0	100.0	95.6	71.0	60.3	58.5	71.9	72.1
1976	100.0	100.0	89.7	55.1	59.6	75.0	50.0	66.8
1977	100.0	100.0	94.4	37.3	68.0	51.0	42.9	61.8
1978		100.0	93.9	46.9	82.9	52.2	33.3	70.7
1979	100.0	100.0	85.7	39.5	73.4	45.5	41.7	62.3
1980	100.0	100.0	95.5	44.9	68.8	51.5	66.7	64.5

TABLE I.—NAVY REENLISTMENT RATES BY RATING AND PAY GRADE—Continued

[Fiscal years]

Rating	E-9	E-8	E-7	E-6	E-5	E-4	Strikers	Total
FT								
1975	100.0	98.1						98.7
1976	100.0	100.0						100.0
1977	100.0	100.0						100.0
1978	100.0	100.0						100.0
1979	100.0	97.3						98.2
1980	100.0	100.0						100.0
DT								
1975	100.0	100.0	100.0	96.2	58.3	30.9	10.9	53.0
1976	100.0	100.0	100.0	87.8	44.8	14.7	7.5	37.5
1977	100.0	100.0	100.0	89.1	43.0	20.8		31.6
1978	100.0	100.0	100.0	83.1	48.2	22.3		41.8
1979	100.0	100.0	100.0	84.3	41.9	21.5	22.2	41.7
1980		100.0	100.0	80.9	43.4	29.5	7.7	50.5
EM								
1975	100.0	98.7	99.7	76.2	54.6	37.1	29.3	59.8
1976	100.0	100.0	98.0	62.8	51.8	37.1	36.1	52.5
1977	100.0	100.0	98.6	58.2	53.9	43.5	13.8	54.4
1978	100.0	100.0	92.0	50.1	62.5	48.9	21.9	56.9
1979	100.0	97.7	91.3	43.8	56.4	34.7	18.7	47.2
1980	95.8	100.0	79.3	45.5	53.0	32.7	12.2	46.3
EN								
1975	100.0	100.0	98.4	91.5	50.1	30.3	23.1	57.1
1976	100.0	100.0	99.1	88.3	38.5	21.0	18.7	41.1
1977	100.0	100.0	98.9	83.0	33.1	27.6	2.3	43.3
1978	100.0	95.2	96.2	80.1	35.5	20.4	14.0	44.5
1979	100.0	100.0	94.7	74.2	31.4	19.5	8.4	40.2
1980	100.0	100.0	99.2	77.3	29.4	21.2	9.0	38.7
ET (all)								
1975		97.8	99.0	95.6	59.6	41.8	32.8	58.8
1976	100.0	100.0	97.1	57.0	41.4	67.6	56.7	55.7
1977	100.0	100.0	95.7	51.1	49.9	66.6	31.5	56.1
1978	100.0	100.0	93.8	46.2	59.8	62.3	54.5	59.3
1979	100.0	100.0	94.9	45.7	72.3	72.9	41.0	66.7
1980	100.0	100.0	90.6	47.4	71.3	66.9	37.1	65.4
*FN (nonstrikers)								
1975							*16.3	*16.3
1976							*17.5	*17.5
1977							*4.7	*4.7
1978							*4.4	*4.4
1979							*10.4	*10.4
1980							*7.1	*7.1
FTG								
1975			100.0	59.2	42.1	18.1	22.2	45.5
1976			93.2	48.3	63.4	27.8	13.0	52.5
1977			92.1	43.4	63.2	58.0	35.3	58.1
1978			89.1	43.5	67.2	45.0	17.2	56.4
1979			89.2	38.4	63.2	22.7	25.3	47.5
1980			91.5	37.9	56.9	30.2	20.4	48.9
GMG								
1975			100.0	96.7	61.2	30.6	36.4	58.0
1976			99.0	90.5	44.9	26.4	20.4	47.1
1977			100.0	84.8	52.5	43.8	12.9	57.0
1978			96.4	77.7	44.9	37.7	2.5	49.7
1979			98.3	75.0	23.7	16.8	15.4	33.4
1980			100.0	78.2	21.3	18.3	8.5	33.4
HM								
1975	100.0	97.4	98.3	93.0	46.1	30.4	19.2	54.3
1976	92.7	100.0	98.8	88.5	40.1	24.8	20.3	44.2
1977	100.0	97.9	97.9	85.9	37.4	25.8		41.3
1978	100.0	98.1	99.2	80.4	39.2	27.3		46.6
1979	100.0	100.0	97.2	74.0	41.6	23.5	9.8	41.7
1980	95.2	98.4	97.5	77.4	42.7	23.9	10.4	42.5
HT								
1975	100.0	100.0	100.0	89.5	53.6	36.4	46.9	61.9
1976	100.0	100.0	98.6	88.4	33.5	29.3	19.5	43.6
1977	100.0	100.0	99.2	71.1	31.4	29.8	12.0	40.8
1978	93.3	100.0	96.1	62.8	34.7	28.4	7.6	43.4
1979	100.0	100.0	91.3	57.6	26.6	22.6	12.2	35.2
1980	100.0	100.0	95.1	64.6	24.5	16.1	11.1	32.2

TABLE I.—NAVY REENLISTMENT RATES BY RATING AND PAY GRADE—Continued

[Fiscal years]

Rating	E-9	E-8	E-7	E-6	E-5	E-4	Strikers	Total
GMT								
1975	100.0	100.0	100.0	93.9	51.8	20.8	14.3	62.8
1976	100.0	100.0	100.0	84.4	36.1	23.3	45.5	53.1
1977	100.0	100.0	100.0	83.5	40.0	41.2		61.6
1978	100.0	100.0	95.2	71.8	62.4	48.8		63.8
1979	100.0	100.0	95.5	71.4	47.4	43.0	23.1	52.9
1980	100.0	100.0	95.8	72.7	33.0	27.0	8.3	45.0
IM								
1975		100.0	100.0	83.3	42.9	17.9	14.3	46.5
1976		100.0	100.0	83.3	28.9	34.2		44.3
1977			85.7	78.6	25.0	36.4		44.9
1978		100.0	100.0	52.6	33.3	16.7	33.3	40.5
1979		100.0	80.0	55.0	26.3	11.1	11.1	32.6
1980		100.0	100.0	68.3	21.9	25.0	100.0	49.5
IS								
1975	100.0	100.0	100.0	88.9	41.7	45.8	28.6	63.9
1976	100.0	100.0	100.0	96.6	50.0	35.1		61.6
1977	100.0	66.7	100.0	88.1	35.4	17.4		49.7
1978	100.0	100.0	100.0	77.3	31.8	39.4	66.7	50.8
1979		100.0	92.3	83.3	37.9	28.6		54.5
1980	100.0	100.0	100.0	94.8	40.9	48.3		62.1
IC								
1975		100.0	98.6	76.1	46.5	36.6	33.3	54.8
1976		100.0	100.0	70.0	36.9	27.5	28.6	41.5
1977		100.0	94.9	55.8	36.2	32.6	11.1	41.4
1978		100.0	93.2	47.9	39.4	29.1	18.2	41.5
1979		100.0	81.6	50.4	39.6	28.4	8.5	40.0
1980		100.0	90.9	52.9	44.1	30.6	26.7	45.3
JO								
1975	100.0	100.0	95.8	96.3	54.0	27.1	14.3	54.9
1976	100.0	100.0	100.0	80.0	26.0	18.0	16.7	32.8
1977	100.0	100.0	93.3	86.7	34.0	20.5		34.8
1978	100.0	80.0	100.0	75.0	40.7	20.0		44.8
1979	100.0	100.0	91.7	75.0	41.1	32.0		52.3
1980	100.0	100.0	93.8	74.4	44.9	50.0	16.7	61.8
LI								
1975		100.0	100.0	100.0	38.5	24.6	66.7	44.3
1976			100.0	100.0	30.3	26.7	50.0	36.1
1977		100.0	100.0	66.7	48.5	16.7	11.1	34.3
1978	100.0		100.0	72.2	43.8	28.8		42.3
1979		100.0	100.0	78.3	26.5	23.9		35.1
1980			100.0	100.0	43.5	27.4	10.0	39.4
MM								
1975	100.0	98.9	98.1	70.9	62.3	45.8	28.7	61.2
1976	100.0	98.9	95.9	50.1	60.2	43.5	34.9	56.6
1977	100.0	100.0	90.9	46.3	60.0	46.9	19.7	54.9
1978	100.0	99.0	91.5	36.7	57.5	46.1	18.3	50.9
1979	100.0	98.3	85.1	38.1	58.0	41.2	21.1	49.9
1980	100.0	96.3	81.6	44.4	49.3	42.4	20.2	48.0
MR								
1975	100.0	100.0	100.0	92.7	38.4	22.9	15.8	48.5
1976	100.0	100.0	96.2	87.8	28.8	21.9	8.3	35.4
1977	100.0	100.0	100.0	78.4	37.4	30.8	13.3	45.1
1978	100.0	100.0	100.0	69.7	32.5	33.9	7.4	44.0
1979	100.0	100.0	97.1	65.3	30.1	18.8	20.0	38.3
1980	100.0	100.0	100.0	65.5	22.5	17.0	10.8	32.0
MS								
1975	100.0	100.0	97.8	95.8	81.4	66.6	64.4	78.4
1976	100.0	96.8	100.0	97.6	84.3	60.7	38.0	75.6
1977	100.0	100.0	99.3	95.8	89.8	53.9	16.7	73.9
1978	100.0	100.0	100.0	96.4	86.0	58.1	13.9	73.9
1979	100.0	97.9	98.8	95.9	77.1	41.0	21.5	63.4
1980	100.0	98.0	100.0	96.8	79.6	48.5	26.5	68.1
NC								
1975	100.0	100.0	100.0	100.0				100.0
1976	100.0	100.0	97.2	96.6	50.0			96.5
1977	100.0	100.0	100.0	96.5				97.9
1978	100.0	100.0	100.0	81.4				90.0
1979	100.0	100.0	96.9	91.8				93.7
1980	100.0	100.0	98.4	87.0				92.8

TABLE 1.—NAVY REENLISTMENT RATES BY RATING AND PAY GRADE—Continued

[Fiscal years]

Rating	E-9	E-8	E-7	E-6	E-5	E-4	Strikers	Total
PR								
1975	100.0	100.0	100.0	96.3	61.3	29.3	33.3	62.2
1976	100.0	100.0	94.7	93.3	57.4	36.3	21.4	57.3
1977			100.0	87.5	46.0	46.5	23.1	52.1
1978	100.0	100.0	100.0	88.4	51.1	37.3	12.5	53.0
1979	100.0	100.0	100.0	93.0	36.9	21.7	12.5	42.9
1980	100.0	100.0	100.0	85.7	32.6	27.9	19.0	40.5
OS								
1975	100.0	93.8	97.0	91.5	35.6	18.0	37.5	46.4
1976	100.0	100.0	98.9	89.7	28.0	26.4	15.8	40.3
1977	100.0	100.0	100.0	70.0	24.6	30.8	3.1	39.5
1978	100.0	100.0	97.5	67.0	33.5	32.4	5.6	44.1
1979	100.0	100.0	94.4	57.5	24.5	19.9	6.3	29.6
1980	100.0	100.0	95.2	72.4	20.5	12.6	9.2	29.9
PC								
1975	100.0	100.0	100.0	100.0	77.9	38.3	31.3	46.1
1976	100.0	100.0	100.0	100.0	51.6	17.2	9.4	30.0
1977	100.0	100.0	100.0	93.8	68.6	29.9	14.3	41.8
1978			85.7	94.4	63.5	24.4		38.1
1979	100.0	100.0	100.0	92.1	59.0	27.3	25.0	46.4
1980	100.0	100.0	100.0	100.0	44.8	29.2		41.7
PH								
1975	100.0	100.0	97.9	96.4	45.4	20.1		52.9
1976	100.0	100.0	100.0	98.4	53.0	15.8	12.0	42.4
1977	100.0	100.0	100.0	86.8	44.0	13.9	10.3	37.0
1978	100.0	100.0	100.0	90.7	40.3	13.8	5.6	40.8
1979	100.0	100.0	100.0	85.9	49.6	23.8	75.0	60.5
1980	100.0	100.0	100.0	88.7	75.3	56.4	14.3	75.5
PN								
1975	100.0	93.6	100.0	96.6	47.2	32.9	20.7	64.0
1976	100.0	100.0	98.9	92.1	40.5	32.0	34.0	51.3
1977	100.0	100.0	97.2	88.2	41.9	30.1	34.8	49.6
1978	100.0	100.0	100.0	71.0	38.6	43.8	42.1	53.2
1979	100.0	100.0	97.7	76.8	41.2	39.1	27.3	56.5
1980	100.0	100.0	100.0	76.1	49.5	57.9	19.4	62.4
QM								
1975	100.0	96.6	97.1	92.3	45.3	25.4	26.8	54.5
1976	100.0	100.0	96.3	82.4	29.0	22.7	25.0	41.7
1977	100.0	100.0	98.6	73.1	26.1	25.8	10.3	40.5
1978	100.0	100.0	94.7	62.4	29.7	24.2	12.2	42.7
1979	100.0	100.0	97.1	66.7	20.3	19.7	9.5	37.1
1980	100.0	100.0	95.7	61.7	26.0	15.5	5.8	36.4
RM								
1975	100.0	100.0	98.6	93.1	50.0	24.3	17.1	55.3
1976	100.0	100.0	100.0	94.4	51.1	33.2	22.7	54.5
1977	100.0	97.8	99.4	90.3	45.2	29.0	8.7	51.7
1978	100.0	100.0	99.5	83.8	40.5	25.9	9.7	48.9
1979	100.0	100.0	97.7	75.5	43.9	22.1	9.5	44.5
1980	100.0	100.0	97.5	80.8	50.8	24.5	14.2	48.7
SH								
1975	100.0	100.0	100.0	98.5	65.2	38.2	39.0	58.3
1976	90.9	100.0	100.0	98.2	54.0	38.1	35.9	52.5
1977	100.0	92.9	100.0	89.2	76.0	36.3	8.7	56.1
1978	100.0	100.0	100.0	86.6	69.6	27.8	4.6	47.6
1979	100.0	100.0	100.0	89.2	62.1	30.3	10.4	49.6
1980	100.0	100.0	100.0	91.8	60.1	23.0	10.5	48.0
SK								
1975	100.0	98.6	99.3	97.1	67.6	39.5	25.0	69.8
1976	100.0	100.0	98.7	94.6	53.8	36.2	26.2	57.1
1977	100.0	100.0	100.0	95.7	51.3	38.8	13.7	58.7
1978	100.0	100.0	97.7	88.7	62.2	40.2	9.1	60.4
1979	100.0	100.0	100.0	79.5	56.5	40.8	20.9	57.2
1980	100.0	97.6	98.8	83.6	53.2	37.0	17.8	56.0
SM								
1975	100.0	100.0	100.0	94.6	65.4	24.5	32.0	59.3
1976	100.0	100.0	100.0	95.7	52.6	26.6	31.8	52.2
1977		100.0	100.0	91.6	41.5	37.8	25.7	51.5
1978	100.0	100.0	100.0	79.8	40.7	36.6	16.0	50.4
1979	100.0	100.0	100.0	85.9	29.7	30.9	28.1	43.3
1980	100.0	90.0	100.0	86.9	33.2	25.3	5.3	43.2

TABLE 1.—NAVY REENLISTMENT RATES BY RATING AND PAY GRADE—Continued

[Fiscal years]

Rating	E-9	E-8	E-7	E-6	E-5	E-4	Strikers	Total
*SN (nonstrikers)								
1975							*20.8	*20.8
1976							*20.4	*20.4
1977							*11.4	*11.4
1978							*11.2	*11.2
1979							12.3	*12.3
1980							*11.7	*11.7
YN								
1975	100.0	100.0	99.4	96.2	51.8	39.2	23.5	62.9
1976	100.0	96.7	100.0	95.2	45.4	34.5	39.8	50.3
1977	100.0	100.0	100.0	89.2	48.7	40.4	29.1	57.1
1978	100.0	100.0	98.6	80.2	45.2	37.0	37.1	54.7
1979	100.0	97.0	99.4	77.9	44.3	39.4	20.8	54.4
1980	100.0	100.0	98.7	81.5	43.6	37.7	21.4	55.7
LN								
1975		100.0	100.0	93.8	64.7			90.1
1976		100.0	100.0	81.3	48.5			74.4
1977	100.0	100.0	92.9	73.7	37.5			69.8
1978	100.0	100.0	100.0	83.3	34.6			68.1
1979	100.0	100.0	100.0	80.8	39.1			69.8
1980	100.0	100.0	100.0	89.2	54.8			78.6

MARINE CORPS

General TICE. For the Marine Corps, the number of reenlistments and the reenlistment rates for each pay grade are provided in exhibit 1 for fiscal years 1972 through 1980. Provided in exhibit 2 are the number of reenlistments and reenlistment rates by reenlistment category for the Department of Defense occupational skill area/group categories for fiscal years 1972 through 1980.

EXHIBIT 1

REENLISTMENT RESULTS BY PAY GRADE, FISCAL YEARS

Pay grade	1972		1973		1974		1975		1976		1977		1978		1979[2]		1980[2]	
	Reenlist ments	Rate (percent)[1]	Reenlistments	Råte (percent)[1]	Reenlistments	Rate (percent)[1]	Reenlistments	Rate (percent)[1]	Reenlistments	Rate (percent)[1]	Reenlistments	Rate (percent)[1]	Reenlistments	Rate (percent)[1]	Reenlistments	Rate (percent)[1]	Reenlistments	Rate (percent)[1]
E-9	307	96.2	326	96.2	377	99.5	291	99.7	273	96.1	291	96.4	24[illegible]	87.2	269	59.0	263	56.9
E-8	646	96.7	576	96.6	803	99.5	757	99.1	665	94.3	592	94.6	566	90.0	590	49.1	564	47.6
E-7	1,507	96.5	1,633	96.5	2,068	98.4	2,006	98.7	1,861	93.4	1,923	93.3	1,850	90.0	1,597	72.5	1,529	68.1
E-6	1,959	82.4	1,860	82.4	2,492	77.2	2,390	75.3	1,955	78.3	2,373	82.2	3,016	68.7	3,103	63.0	2,983	69.7
E-5	3,305	28.5	2,967	35.3	3,182	24.8	3,492	31.4	3,004	33.9	3,704	35.7	3,396	35.8	3,070	31.9	3,341	35.9
E-4	1,354	7.8	2,397	12.1	2,921	23.1	2,722	25.1	1,992	27.8	2,228	27.6	2,567	29.4	2,938	23.4	2,906	24.9
E-3	321	3.9	494	6.4	666	7.6	609	7.7	457	14.7	234	2.2	397	15.6	786	13.4	802	13.7
E-2	404	56.9	828	47.1	12	.6												
E-1																		
Total	9,794	22.9	11,081	26.0	12,521	29.3	12,267	33.9	10,207	41.4	11,345	42.8	12,037	42.8	12,398	33.5	12,388	35.4

[1] Reenlistment rate is the number of reenlistments divided by the number eligible and recommended for reenlistment.

[2] Commencing in fiscal year 1979, marines transferring to the FMCR were considered eligible for reenlistment.

EXHIBIT 2

REENLISTMENT RESULTS BY DOD OCCUPATIONAL AREA/GROUP, FISCAL YEAR 1972–80

DOD occupational area/groups [1]	1972				1973				1974			
	1st term		Career		1st term		Career		1st term		Career	
	Number [3]	Percent [3]	Number [3]	Percent [3]	Number [3]	Percent [3]	Number [3]	Percent [3]	Number [3]	Percent [3]	Number [3]	Percent [3]
0. Infantry and gun crew	1,247	11.5	970	75.8	638	5.1	653	59.5	1,019	9.8	1,211	68.7
01 Infantry	1,065	13.2	727	76.0	437	4.6	482	59.2	710	9.9	807	67.1
02 Armor and amphibious	62	8.8	67	77.0	65	8.0	53	63.1	72	7.2	103	68.7
03 Combat engineering	67	7.9	71	68.3	80	8.8	40	52.6	106	11.0	126	67.7
04 Artillery, gunnery, and rockets	50	4.2	87	76.3	54	4.4	56	56.0	125	9.7	149	74.5
05 Combat air crew	3	21.4	18	100.0	2	18.2	22	91.7	6	23.1	26	100.0
1. Electronic equipment repair	448	14.5	371	88.1	254	11.5	869	88.9	650	26.9	687	81.4
10 Radio/radar	290	13.8	246	88.8	132	9.1	492	89.1	307	23.3	385	82.4
12 Missile guidance control	98	15.2	70	83.3	88	18.3	276	91.4	272	31.9	213	78.0
15 ADP computers	25	26.0	22	88.0	18	21.2	50	76.9	19	25.7	43	82.7
16 Teletype and cryptographic equipment	20	12.0	14	87.5	8	7.8	21	87.5	22	35.5	10	100.0
19 Other electronic	15	21.7	19	100.0	8	8.4	29	82.9	30	28.3	36	85.7
2. Communications and intelligence	305	10.0	507	86.5	221	6.5	681	85.8	491	16.8	698	86.0
20 Radio and radio code	177	8.0	152	84.9	112	5.4	252	84.8	172	9.7	202	80.8
22 Radar and air traffic control	31	10.3	51	85.0	24	9.8	80	86.0	111	43.2	78	84.8
23 Signal intelligence/electronic war	53	19.1	87	90.6	20	7.5	120	90.2	51	29.0	89	85.6
24 Military intelligence	30	29.4	145	89.5	19	8.2	143	86.7	59	36.0	214	90.7
25 Combat operations control	14	16.7	26	83.9	6	9.8	39	76.5	14	29.8	48	92.3
26 Communication center operation			46	79.3	40	7.2	47	68.1	84	20.5	67	77.9
4. Other technical and allied specialists	94	15.7	150	85.7	42	8.6	186	81.6	110	24.2	170	83.3
40 Photography	42	25.6	21	87.5	9	10.2	41	83.7	11	12.9	28	90.3
41 Mapping, surveying, and drafting	9	7.6	22	78.6	8	6.7	25	80.6	22	18.3	25	86.2
42 Weather	13	15.7	13	68.4	6	10.9	23	76.7	22	59.5	15	93.8
43 Ordnance disposal and diving	1	14.3	12	85.7	2	66.7	20	87.0	6	66.7	16	80.0
45 Musicians	19	10.1	51	91.1	12	6.5	54	87.1	31	18.9	51	82.3
49 Technical specialist NEC	10	25.6	31	91.2	5	12.2	23	69.7	18	45.0	35	76.1

5. Administrative specialist and clerical	958	16.8	1,425	81.9	564	11.6	1,361	84.8	1,252	19.0	1,827	86.6
51 Administration	161	18.2	140	84.8	194	11.0	257	83.7	428	15.0	280	77.8
52 Clerical/personnel	313	16.9	716	88.2	103	14.7	482	87.2	146	18.7	743	93.5
53 Data processing	60	16.2	102	52.6	38	9.2	94	79.0	106	16.2	129	87.8
54 Accounting, finance and disbursing	70	17.4	67	93.1	67	15.4	93	93.0	131	29.4	116	84.7
55 Other functional support	260	17.2	369	84.4	153	10.4	407	82.9	404	22.5	523	84.4
56 Religious, morale and welfare	18	18.4	1	100.0			1	100.0	3	30.0	7	87.5
57 Information and education	76	13.1	30	38.2	9	11.4	27	93.1	34	38.2	29	85.3
6. Electrical/mechanical equipment repair	792	11.8	990	82.7	568	11.3	1,692	87.3	1,267	22.9	1,189	80.3
60 Aircraft	478	14.2	514	88.0	303	19.3	926	91.4	693	27.8	536	80.8
61 Automotive	134	9.2	230	81.0	130	7.2	405	82.7	255	19.2	335	80.7
62 Wire communications	49	6.6	58	66.7	40	4.9	83	71.6	85	11.5	74	64.9
63 Missile mechanical and electrical												
64 Armament and munitions	119	12.4	157	78.5	79	10.3	233	87.6	201	23.8	209	85.0
67 Precision equipment	5	8.5	11	73.3	6	8.5	11	73.3	10	50.0	14	77.8
69 Other mechanical and electrical	7	5.9	20	74.1	10	21.3	34	89.5	23	21.3	21	84.0
7. Craftsmen	95	8.9	185	81.5	62	6.4	205	84.7	182	17.6	170	77.8
70 Metalworking	13	8.2	20	87.0	9	4.9	25	86.2	15	11.5	28	73.7
71 Construction	12	5.9	67	85.9	16	5.6	99	86.1	30	13.5	30	69.8
72 Utilities	30	10.0	34	70.8	29	7.1	42	76.4	70	20.6	79	77.5
74 Lithography	7	16.7	20	80.0	6	9.0	25	96.2	16	38.1	16	88.9
75 Industrial Gas and fuel products	8	17.0	4	100.0	1	3.7	5	71.4	4	21.1	5	83.3
76 Fabric, leather, and rubber	19	7.5	40	81.6	1	20.0	9	90.0	16	36.4	12	75.0
8. Service and supply handling	412	7.9	596	75.8	325	6.7	875	79.8	676	14.4	863	76.3
80 Food service	45	5.5	139	72.4	50	5.7	195	80.6	103	11.1	166	76.9
81 Motor transport	102	4.3	144	69.9	117	5.3	179	68.1	201	12.4	224	70.4
82 Material receipt, storage and issue	95	6.6	151	74.4	81	6.0	232	82.6	178	13.3	235	79.1
83 Law enforcement	132	39.1	124	87.3	56	15.9	202	87.1	144	22.2	199	80.2
84 Utilities	2	3.6	4	80.0	2	3.8	8	88.9	5	11.1	5	100.0
86 Forward area equipment support	36	19.9	34	89.5	19	27.5	59	84.3	45	39.1	34	72.3
9. Miscellaneous	143	97.9	106	100.0	1,838	100.0	55	100.0	21	35.7	38	100.0
95 Not occupationally qualified					1,816	100.0			7	87.5	1	100.0
99 Miscellaneous	143	97.9	106	100.0	14	100.0	55	100.0	14	27.0	37	100.0
Total	4,494	12.3	5,300	82.6	4,504	13.0	6,577	81.7	5,668	16.6	6,853	79.6

EXHIBIT 2—Continued

REENLISTMENT RESULTS BY DOD OCCUPATIONAL AREA/GROUP, FISCAL YEAR 1972–80—Continued

	1975				1976				1977			
	1st term		Career		1st term		Career		1st term		Career	
	Number[2]	Percent[3]	Number[2]	Percent[3]	Number[2]	Percent[3]	Number[2]	Percent[3]	Number[2]	Percent[3]	Number[2]	Percent
0. Infantry and gun crew	1,114	15.1	1,249	60.1	932	22.8	947	71.6	1,003	22.5	850	66.3
01 Infantry	767	14.4	868	59.6	630	20.8	628	69.2	693	21.2	602	65.1
02 Armor and amphibious	83	14.3	104	59.4	81	36.0	100	76.9	75	24.8	66	59.4
03 Combat engineering	118	16.7	132	61.1	124	30.5	117	78.5	102	22.9	80	74.1
04 Artillery, gunnery and rockets	143	18.5	134	62.0	90	21.8	89	71.2	125	29.6	89	70.1
05 Combat air crew	3	20.9	11	84.6	7	46.7	13	100.0	8	66.7	19	86.4
1. Electronic equipment repair	430	22.4	614	76.8	297	24.0	493	77.0	288	27.9	524	61.9
10 Radio/radar	225	24.4	336	75.8	206	29.6	303	79.9	199	28.6	317	68.2
12 Missle guidance control	158	19.7	209	78.6	73	16.7	144	75.8	65	28.8	142	50.0
15 ADP computers	21	25.0	34	75.6	7	13.5	23	59.0	11	19.3	26	56.5
16 Teletype and cryptographic equipment	12	37.5	14	100.0	5	19.2	11	84.6	6	35.3	16	76.2
19 Other electronic	14	17.5	21	65.6	6	21.4	12	63.7	7	20.0	23	76.7
2. Communications and intelligence	483	18.4	687	79.8	374	25.6	549	77.6	377	26.9	536	71.0
20 Radio and radio code	215	12.6	207	71.4	212	22.6	189	71.6	201	27.1	163	65.5
22 Radar and air traffic control	65	23.6	91	77.1	34	25.4	52	73.2	39	30.2	54	56.3
23 Signal intelligence electronic war	83	48.3	84	84.8	75	33.2	68	89.5	28	18.9	80	87.0
24 Military Intelligence	43	43.4	199	89.6	31	45.6	150	84.3	23	37.7	142	78.5
25 Combat operations control	18	33.3	34	81.0	21	22.6	36	73.5	24	27.3	36	70.6
26 Communication center operations	59	15.3	72	73.5	71	27.5	54	67.5	62	23.0	61	71.8
4. Other technical and allied specialists	150	33.9	182	75.8	142	37.0	158	76.0	99	37.7	192	78.4
40 Photography	17	23.9	24	63.2	53	52.5	24	77.4	15	44.1	32	76.7
41 Mapping, surveying and drafting	22	27.8	19	65.5	10	15.9	22	71.0	9	23.7	10	55.6
42 Weather	30	37.5	21	80.8	14	25.9	22	81.5	12	27.3	27	96.4
43 Ordnance disposal and diving	5	83.3	31	91.2	5	35.7	20	80.0	3	100.0	54	87.1
45 Musicians	53	31.7	50	89.3	45	38.1	36	67.9	40	40.0	46	76.7
49 Technical specialist NEC	23	59.0	37	64.9	15	44.1	34	82.9	11	55.0	46	76.7

5. Administrative specialist and clerical	1, 158	23. 0	1, 813	82. 2	929	32. 2	1, 654	81. 5	1, 181	36. 8	1, 574	76. 3
51 Administration	479	21. 5	287	68. 5	366	31. 6	293	75. 5	414	35. 8	241	66. 4
52 Clerical/personnel	164	27. 8	686	91. 6	126	41. 6	631	87. 3	155	43. 8	621	83. 5
53 Data processing	73	18. 9	148	80. 9	52	28. 6	114	76. 0	92	36. 1	107	71. 3
54 Accounting, finance and disbursing	77	22. 2	119	81. 5	55	20. 6	108	72. 5	67	42. 1	102	73. 4
55 Other functional support	333	26. 7	531	82. 3	316	35. 8	477	84. 4	425	38. 8	460	76. 8
56 Religious, morale and welfare	9	18. 8	7	63. 6	6	37. 5	2	40. 0	8	21. 1	8	88. 9
57 Information and education	23	31. 9	35	83. 3	8	20. 0	29	80. 6	20	54. 1	35	66. 0
6. Electrical/mechanical equipment repair	1, 058	23. 5	1, 057	74. 8	896	25. 2	849	76. 3	959	31. 7	873	67. 6
60 Aircraft	471	24. 9	503	79. 5	389	23. 3	423	76. 8	444	32. 1	461	64. 1
61 Automotive	291	24. 3	214	70. 2	242	26. 4	190	76. 9	244	33. 6	161	68. 2
62 Wire communications	89	15. 7	85	58. 2	82	26. 6	66	8. 8	79	21. 6	58	66. 7
63 Missile mechanical and electrical												
64 Armament and munitions	186	25. 4	198	75. 0	153	26. 6	140	80. 9	171	34. 7	160	76. 6
67 Precision equipment	6	26. 1	17	85. 0	13	38. 2	14	93. 3	12	44. 4	14	82. 4
69 Other mechanical and electrical	15	18. 1	40	88. 9	17	37. 8	16	57. 1	9	34. 6	19	82. 6
7. Craftsmen	191	24. 8	161	69. 1	173	24. 5	140	74. 2	147	30. 2	139	74. 0
70 Metalworking	24	23. 3	27	61. 4	22	25. 9	21	71. 4	18	32. 7	25	78. 1
71 Construction	49	21. 2	36	60. 0	47	24. 6	20	64. 5	44	27. 8	25	71. 4
72 Utilities	95	27. 8	79	69. 9	83	24. 4	69	76. 7	61	24. 9	66	71. 0
74 Lithography	5	13. 2	8	88. 9	14	38. 9	18	85. 7	14	63. 6	9	64. 3
75 Industrial gas and fuel products	9	45. 0	2	40. 0	3	11. 5	6	75. 0	3	25. 0	5	71. 4
76 Fabric, leather, and rubber	9	24. 3	9	60. 0	4	50. 0	7	70. 0	7	70. 0	9	90. 0
8. Service and supply handling	847	20. 5	958	63. 7	760	27. 2	784	80. 3	925	33. 9	779	77. 5
80 Food service	132	19. 6	157	70. 1	99	20. 0	115	75. 7	118	27. 1	114	76. 0
81 Motor transport	261	18. 3	288	68. 4	276	32. 3	264	82. 2	424	42. 8	273	80. 1
82 Material receipt, storage and issue	236	21. 0	270	68. 9	178	32. 0	195	77. 7	199	32. 4	202	75. 9
83 Law enforcement	166	22. 6	204	72. 3	170	22. 8	179	82. 9	148	24. 7	151	79. 9
84 Utilities	6	20. 7	6	54. 5	6	35. 3	7	100. 0	2	12. 5	3	100. 0
86 Forward area equipment support	46	37. 9	33	73. 3	31	25. 4	24	82. 8	34	35. 8	36	64. 3
9. Miscellaneous	53	59. 2	60	100. 0	96	44. 4	34	39. 3	32	23. 1	6	100. 0
Not occupationally qualified	9	100. 0	5	100. 0								
99 Miscellaneous	44	42. 9	55	100. 0	96	44. 4	34	39. 3	32	23. 1	6	100. 0
Total	5, 484	20. 4	6, 783	73. 1	4, 599	26. 4	5, 608	77. 6	5, 002	30. 1	5, 494	71. 3

EXHIBIT 2—Continued

REENLISTMENT RESULTS BY DOD OCCUPATIONAL AREA/GROUP, FISCAL YEAR 1972–80—Continued

	1978				1979				1980			
	1st term		Career		1st term		Career		1st term		Career	
	Number [2]	Percent [3]	Number [2]	Percent [3]	Number [2]	Percent [3]	Number [2]	Percent [3]	Number [2]	Percent [3]	Number [2]	Percent [3]
0. Infantry and gun crew	1,366	28.5	1,068	72.3	1,309	17.9	1,430	52.3	1,244	19.5	1,159	43.6
01 Infantry	1,038	28.6	740	72.8	968	17.0	977	51.2	949	19.3	794	41.2
02 Armor and amphibious	105	38.7	94	72.3	97	22.4	128	54.4	76	16.4	114	53.0
03 Combat engineering	47	20.4	98	69.5	89	16.6	154	54.4	86	17.4	120	55.6
04 Artillery, gunnery and rockets	122	29.8	121	71.6	155	23.1	155	56.8	132	26.7	111	42.2
05 Combat air crew	4	44.4	15	71.4			16	45.7	1	16.7	20	57.1
1. Electronic equipment repair	345	23.2	693	59.1	141	13.9	528	42.2	256	23.8	597	46.1
10 Radio/radar	218	24.4	385	62.2	93	12.6	343	43.3	166	21.7	373	43.0
12 Missile guidance control	102	22.9	236	55.3	29	21.3	100	38.6	48	35.3	138	56.3
15 ADP computers	11	19.6	42	58.3	4	11.8	21	33.3	21	36.2	24	34.8
16 Teletype and cryptographic equipment	10	25.0	17	77.3	6	11.1	35	48.6	12	18.5	27	55.1
19 Other electronic	4	7.7	13	39.4	9	18.0	29	45.3	9	17.6	35	54.7
2. Communications and intelligence	414	21.7	683	69.2	272	13.1	663	47.3	332	18.1	678	49.2
20 Radio and radio code	186	18.2	226	70.4	151	11.5	244	42.9	197	17.3	225	41.1
22 Radar and air traffic control	28	17.6	54	49.1	12	11.8	69	40.6	28	30.1	68	46.6
23 Signal intelligence/electronic war	61	26.2	87	72.5	26	13.5	57	41.0	29	14.9	89	51.7
24 Military intelligence	50	63.3	189	73.3	2	8.0	151	59.0	13	46.4	100	63.0
25 Combat operations control	13	20.3	61	74.4	11	20.4	46	55.4	3	18.8	39	51.3
26 Communication center operation	76	24.0	66	57.9	70	17.6	96	52.5	62	16.9	97	53.3
4. Other technical and allied specialists	110	35.5	197	71.4	68	18.9	295	60.8	84	22.6	288	57.3
40 Photography	16	32.0	34	69.2	14	29.2	44	56.4	16	32.7	53	59.6
41 Mapping, surveying and drafting	24	40.0	30	66.7	9	13.8	22	42.3	15	24.6	26	53.1
42 Weather	12	26.1	17	68.0	8	36.4	21	56.8	10	20.0	35	54.7
43 Ordnance disposal and diving	1	50.0	21	75.0			28	82.4	2	100.0	31	75.6
45 Musicians	37	34.2	41	88.7	18	13.6	55	57.3	21	16.5	67	60.9
49 Technical specialist NEC	20	45.5	48	66.7	19	20.7	125	66.5	20	244	76	50.7
5. Administrative specialist and clerical	1,098	35.8	1,858	73.0	735	24.4	2,162	55.4	781	29.8	2,090	55.7
51 Administration	421	35.1	284	63.7	265	22.9	220	43.1	288	28.2	251	41.6
52 Clerical/personnel	179	48.2	715	80.9	120	29.1	706	58.1	79	32.4	644	63.9
53 Data processing	68	25.3	117	70.1	25	20.8	138	45.4	37	28.0	178	54.3
54 Accounting, finance and disbursing	61	34.1	131	70.1	52	21.1	171	62.4	49	21.3	140	54.7
55 Other functional support	345	39.1	568	73.6	261	25.6	886	57.8	306	32.2	828	56.2
56 Religious, morale and welfare	9	33.3	5	71.4	2	12.5	7	63.6	10	43.5	5	55.6
57 Information and education	15	46.9	38	64.4	10	26.3	34	57.6	12	50.0	44	62.0

6. Electrical/mechanical equipment repair	1,002	28.4	1,067	64.5	516	17.0	1,630	47.4	680	22.9	1,719	51.0
60 Aircraft	511	27.3	562	62.0	196	16.8	888	48.3	238	21.2	937	51.1
61 Automotive	236	37.3	199	66.1	163	21.2	396	50.9	220	24.8	381	51.4
62 Wire communications	98	21.2	75	63.0	77	16.5	87	35.7	74	17.1	98	43.6
63 Missile mechanical and electrical	3	27.5			4	21.1	1	33.3	3	10.0	3	100.0
64 Armament and munitions	143	28.5	195	69.6	72	12.1	236	44.9	136	29.1	282	53.0
67 Precision equipment	5	25.0	11	68.8	4	23.5	18	42.9	9	3.0	48	54.5
69 Other mechanical and electrical	6	18.8	23	78.1			4	100.0				
7. Craftsmen	150	28.9	163	65.8	75	14.3	245	54.2	122	19.4	199	41.7
70 Metalworking	13	24.1	20	54.1	10	17.9	34	54.8	14	20.0	40	54.8
71 Construction	29	29.6	19	45.2	18	12.9	48	53.9	31	15.5	29	28.7
72 Utilities	89	32.0	91	68.9	49	14.5	120	52.9	60	19.5	110	45.4
74 Lithography	8	42.1	16	80.0	4	25.0	19	54.3	8	44.4	7	25.9
75 Industrial gas and fuel products	7	14.6	3	33.3			9	47.4	1	9.1	4	21.1
76 Fabric, leather, and rubber	4	40.0	14	87.5	2	22.2	15	75.0	8	34.8	9	60.0
8. Service and supply handling	877	29.8	889	72.8	537	18.1	1,012	51.7	710	23.3	1,015	49.4
80 Food service	163	38.9	154	74.4	149	26.8	230	57.9	108	19.5	185	53.9
81 Motor transport	363	30.7	316	73.7	184	16.4	242	45.7	257	21.6	270	40.4
82 Material receipt, storage and issue	203	31.4	212	72.1	131	19.2	262	53.9	228	29.3	248	52.7
83 Law enforcement	115	20.0	149	70.0	66	11.3	210	49.5	99	20.9	234	51.8
84 Utilities	11	52.4	9	100.0	7	26.9	9	64.3	4	20.0	12	57.1
86 Forward area equipment support	22	20.6	49	71.0	10	20.4	59	54.1	14	37.8	66	66.0
9. Miscellaneous	28	23.8	32	100.0	444	66.9	326	89.3	284	65.9	150	81.1
95 Not occupationally qualified							325	90.0	283	65.7	147	79.5
99 Miscellaneous	28	23.8	32	100.0	444	66.9	1	25.0	1	100.0	3	100.0
Total	5,390	29.1	6,647	69.1	4,107	19.5	8,291	51.9	4,493	23.2	7,895	50.4

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[1] As defined in the Occupational Conversion Manual, DOD 1312.1 DA PAM 611-11.

[2] Number reenlisted.

[3] Reenlistment rate is the number reenlisted divided by number eligible and recommended for reenlistment.

AIR FORCE

ANSWER. The attached sheets furnish the requested information. The following are explanatory comments concerning the information. We define reenlistment rate as a percentage rate determined by the number of reenlistments divided by the number of separating airmen eligible to reenlist. The Air Force has no "third-term" airmen, rather they are categorized as "career" airmen, which consist of airmen on their third or subsequent term of enlistment. Prior to fiscal year 1973, Air Force did not keep second-term airmen reenlistment rates; these airmen were grouped with career airmen.

[By Category—enlist and grade]

	1st term			2d term			Career		
Grade	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percen
FISCAL YEAR 1972									
E-1	5	1	20.0				2	2	100.0
E-2	17	14	82.4				2	2	100.0
E-3	154	189	122.7				11	11	100.0
E-4	53,397	19,133	35.8				1,517	1,009	66.5
E-5	22,939	5,605	24.4				23,107	20,636	89.3
E-6	23	11	47.8				17,135	16,935	98.8
E-7	3	1	33.3				10,210	10,200	99.9
E-8							3,043	3,042	100.0
E-9							1,545	1,545	100.0
Total (AF)	76,538	24,954	32.6				56,572	53,382	94.4
FISCAL YEAR 1973									
E-1	21	21	100.0				4	4	100.0
E-2	22	18	81.8	8	8	100.0	353	352	99.7
E-3	113	98	92.0	27	27	100.0	175	175	100.0
E-4	52,774	11,398	21.6	1,974	1,485	75.2	661	524	79.3
E-5	21,680	3,671	16.9	8,792	6,270	71.3	18,527	17,488	94.4
E-6	25	7	28.0	411	335	81.5	17,554	17,399	99.1
E-7	5	2	40.0	11	11	100.0	8,580	8,575	99.9
E-8				2	2	100.0	2,469	2,469	100.0
E-9				1	1	100.0	1,306	1,305	99.9
Total (AF)	74,640	16,221	20.4	11,226	8,139	72.5	49,629	48,291	97.3
FISCAL YEAR 1974									
E-1	45	40	88.9	2	2	100.0	2	2	100.0
E-2	41	29	70.7	4	4	100.0	24	24	100.0
E-3	339	184	54.3	57	46	80.7	54	52	96.3
E-4	50,524	16,516	32.7	2,545	1,806	71.0	343	243	70.8
E-5	10,881	2,473	22.7	12,592	9,240	73.4	11,765	10,869	92.4
E-6	28	13	46.4	526	444	84.4	13,014	12,886	99.0
E-7	4	2	50.0	28	26	92.9	7,249	7,240	99.9
E-8	1	1	100.0	2	2	100.0	2,470	2,469	100.0
E-9	1	1	100.0	3	3	100.0	1,415	1,415	100.0
Total (AF)	61,864	19,259	31.1	15,759	11,573	73.4	36,336	35,200	96.9
FISCAL YEAR 1975									
E-1	34	33	97.1	3	3	100.0	1	1	100.0
E-2	47	38	80.9	7	6	85.7	3	2	66.7
E-3	266	167	62.8	38	21	55.3	19	16	84.2
E-4	37,396	15,315	41.0	4,560	3,413	74.8	549	424	77.2
E-5	5,319	1,724	32.4	14,386	10,816	75.2	10,818	10,041	92.8
E-6	9	6	66.7	476	425	89.3	12,319	12,201	99.0
E-7	4	4	100.0	20	19	95.0	8,820	8,816	100.0
E-8				4	4	100.0	2,716	2,714	99.9
E-9				1	0	0	1,295	1,294	99.9
Total (AF)	43,075	17,287	40.1	19,495	14,707	75.4	36,540	35,510	97.2

[By Category—enlist and grade]

Grade	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
FISCAL YEAR 1976									
E-1	88	87	98.9	2		0			
E-2	22	19	86.4	3	1	66.7			
E-3	209	98	46.9	48	15	31.3	9	4	44.4
E-4	44,966	16,719	37.2	6,066	3,534	58.4	607	433	72.0
E-5	2,748	1,107	40.3	16,452	11,655	70.9	10,842	9,650	89.1
E-6	16	8	50.0	485	407	83.9	13,595	12,777	94.0
E-7	10	6	60.0	20	18	90.0	7,892	7,342	93.1
E-8							2,125	1,977	93.0
E-9				1	1	100.0	1,027	937	91.2
Total (AF)	48,059	18,044	37.5	23,077	15,649	67.8	36,097	33,138	91.8
FISCAL YEAR 1977									
E-1	25	25	100.0	1		0	1	1	100.0
E-2	17	16	94.1						
E-3	65	50	78.5	27	19	70.4	5	5	100.0
E-4	37,240	14,312	38.5	4,700	2,768	58.9	252	181	72.2
E-5	1,563	756	48.4	11,909	8,604	72.3	9,804	8,772	89.5
E-6	15	7	46.7	389	337	86.6	12,944	12,559	97.0
E-7	3	0	0	47	37	78.7	8,056	7,834	97.2
E-8							2,302	2,234	97.0
E-9				1	1	100.0	1,267	1,234	97.4
Total (AF)	38,928	15,174	39.0	17,074	11,767	68.9	34,631	32,822	94.8
FISCAL YEAR 1978									
E-1	35	35	100.0				2	1	50.0
E-2	32	32	100.0				1	1	100.0
E-3	31	23	74.2	20	9	45.0	3	3	100.0
E-4	26,114	10,165	39.1	4,082	2,091	51.2	141	87	61.7
E-5	2,670	1,587	59.6	12,345	8,493	68.8	8,289	7,129	86.0
E-6	15	11	73.3	318	273	85.8	10,973	10,521	95.9
E-7	6	3	50.0	70	18	25.7	6,411	6,136	95.7
E-8				1	1	100.0	1,830	1,703	93.1
E-9							873	832	95.3
Total (AF)	28,903	11,893	41.1	16,836	10,885	64.7	28,523	26,413	92.6
FISCAL YEAR 1979									
E-1	79	79	100.0	2	1	50.0			
E-2	10	10	100.0						
E-3	38	27	71.1	11	8	72.7	6	5	83.7
E-4	36,115	12,724	35.2	2,522	1,049	41.6	131	91	69.5
E-5	5,621	3,058	54.4	10,879	6,925	63.7	10,381	8,598	82.8
E-6	24	16	66.7	394	320	81.2	11,781	11,070	94.0
E-7	5	4	80.0	42	23	54.8	5,968	5,806	97.3
E-8				1	1	100.0	1,537	1,521	99.0
E-9							774	767	99.1
Total (AF)	41,892	15,918	38.0	13,851	8,327	60.1	30,578	27,858	91.1
FISCAL YEAR 1980									
E-1	102	101	99.0						
E-2	2	2	100.0						
E-3	48	40	83.3	14	6	42.9	4	3	75.0
E-4	35,729	11,798	33.0	2,874	1,516	52.7	204	158	77.5
E-5	6,309	3,167	50.2	12,588	8,136	64.6	9,495	7,887	83.1
E-6	12	6	58.3	389	302	77.6	12,060	11,284	93.6
E-7				25	9	36.0	6,518	6,372	97.8
E-8							1,914	1,901	99.3
E-9							825	816	98.9
Total (AF)	42,202	15,114	35.8	15,890	9,969	62.7	31,010	28,421	91.6

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[1] Includes reenlistees who separated in previous years.

FISCAL YEAR 1972

AFSC 2-digit and career field	1st term Eligible	1st term Reenlistments	1st term Percent	Career Eligible	Career Reenlistments	Career Percent
10 1st sergeant				409	409	100.0
20 Intelligence	2,155	533	24.7	1,015	918	90.4
22 Geodetic	365	127	34.8	284	269	94.4
23 Audiovisual	629	272	43.2	347	325	93.7
24 Safety	17	7	41.2	182	175	96.2
25 Weather	596	199	33.4	521	497	95.4
27 Comd/con sys ops	2,246	976	43.5	2,344	2,211	94.3
29 Comm ops	3,762	669	17.8	2,609	2,447	93.8
30 Comm-elect sys	5,698	1,460	25.6	4,812	4,346	90.3
31 Msl-elect maint	659	288	43.7	741	689	93.0
32 Avionic sys	2,681	833	31.1	2,802	2,595	92.6
34 Training devices	309	194	62.8	452	416	92.0
36 Wire comm sys maint	1,002	254	25.3	693	650	93.8
39 Maint mgt sys	139	71	51.1	179	178	99.4
40 Intricate equip maint	129	62	48.1	155	144	92.9
42 Acft sys maint	3,181	1,215	38.2	2,320	2,207	95.1
43 Aircraft maint	11,860	4,910	41.4	8,911	8,335	93.5
44 Missile maint	367	149	40.6	324	309	95.4
46 Munitions and wpns maint	3,383	557	16.5	1,683	1,563	92.9
47 Vehicle maint	1,109	434	39.1	622	587	94.4
51 Computer sys	491	233	47.5	466	448	96.1
53 Metal working	1,258	578	45.9	607	570	93.9
54 Mech/elect	1,884	553	29.4	1,073	1,005	93.7

55	Struct/pavements	1, 563	472	30. 2	1, 115	1, 057	94. 8
56	Sanitation	250	97	38. 8	120	114	95. 0
57	Fire protection	1, 128	329	29. 2	439	412	93. 8
58	Fabric and rubber products	233	88	37. 8	193	181	93. 8
59	Marine	21	4	19. 0	22	22	100. 0
60	Transportation	2, 771	1, 111	40. 1	1, 807	1, 742	96. 4
61	Services	139	55	39. 6	251	244	97. 2
62	Food services	900	311	34. 6	730	711	97. 4
63	Fuels	1, 299	384	29. 6	534	507	94. 9
64	Supply	4, 621	1, 440	31. 2	3, 692	3, 587	97. 2
65	Contracting	195	80	41. 0	147	144	98. 0
67	Acct & fin, auditing	424	194	45. 8	643	613	95. 3
68	Data systems	581	264	45. 4	407	390	95. 8
69	Mgt analysis	25	17	68. 0	107	104	97. 2
70	Administration	5, 780	2, 116	36. 7	3, 579	3, 445	96. 3
71	Printing	82	35	42. 7	117	116	99. 1
73	Personnel	1, 446	599	41. 4	1, 882	1, 844	98. 0
74	Morale, welfare and rec	212	80	37. 7	389	380	97. 7
75	Educ & training	200	68	34. 0	704	683	97. 0
79	Public affairs	298	94	31. 5	126	120	95. 2
81	Security police	5, 920	1, 268	21. 4	1, 727	1, 624	94. 0
82	Spec investigations	7	6	85. 7	221	217	98. 2
87	Band	226	29	12. 8	120	113	94. 2
90	Medical	2, 141	623	29. 1	1, 543	1, 434	92. 9
91	Medical	441	161	36. 5	332	313	94. 3
92	Aircrew protect	452	148	32. 7	322	298	92. 5
98	Dental	585	138	23. 6	303	280	92. 4
99	Rptg/spec duty ident	678	172	25. 4	1, 449	1, 395	96. 3
	Total	76, 538	24, 954	32. 6	56, 572	53, 382	99. 4

FISCAL YEAR 1973

AFSC 2-digit and career field	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
10 1st sergeant				2	2	100.0	345	345	100.0
20 Intelligence	1,928	290	15.0	346	208	60.1	1,032	998	96.7
22 Geodetic	442	77	17.4	38	28	73.7	233	230	98.7
23 Audiovisual	634	123	19.4	72	60	83.3	330	317	96.1
24 Safety	18	5	27.8	14	13	92.9	177	175	98.9
25 Weather	571	123	21.5	91	67	73.6	404	391	96.8
27 Comd/con sys ops	2,214	716	32.3	435	322	74.0	2,085	2,032	97.5
29 Comm ops	2,123	566	26.7	317	253	79.8	1,977	1,928	97.5
30 Comm-elect sys	3,662	681	18.6	1,136	724	63.7	3,788	3,613	95.4
31 Msl-elect maint	684	148	21.6	161	103	64.0	639	613	95.9
32 Avionic sys	4,800	546	16.9	845	508	60.1	3,192	3,051	95.6
34 Training devices	251	64	25.5	116	69	59.5	357	337	94.4
36 Wire comm sys maint	1,169	230	19.7	182	138	75.8	638	612	95.9
39 Maint mgt sys	80	36	45.0	21	20	95.2	167	167	100.0
40 Intricate equip maint	225	31	13.8	31	19	61.3	129	120	93.0
42 Acft sys maint	3,661	680	18.6	348	259	74.4	1,993	1,939	97.3
43 Aircraft maint	11,104	1,689	15.2	1,678	1,127	67.2	7,215	7,005	97.1
44 Missile maint	189	47	24.9	59	39	66.1	220	215	97.7
46 Munitions and Wpns maint	2,511	347	13.8	384	263	68.5	1,481	1,429	96.5
47 Vehicle maint	1,114	266	23.9	157	129	82.2	521	504	96.7
51 Computer sys	936	214	22.9	139	107	77.0	730	718	98.4
53 Metal working	1,420	284	20.0	143	109	76.2	577	569	98.6

54	Mech/elect	1, 652	431	26. 1	224	152	67. 9	947	925	97. 7
55	Struct/pavements	1, 359	354	29. 0	303	246	81. 2	1, 090	1, 066	97. 8
56	Sanitation	166	40	24. 1	50	38	76. 0	129	126	97. 7
57	Fire protection	922	267	29. 0	133	96	72. 2	488	478	98. 0
58	Fabric and rubber products	167	52	31. 1	34	29	85. 3	180	178	98. 9
59	Marine	28	8	28. 6	4	4	100. 0	15	15	100. 0
60	Transportation	2, 995	798	26. 6	384	310	80. 7	1, 669	1, 642	98. 4
61	Services	208	46	22. 1	40	34	85. 0	177	174	98. 3
62	Food services	983	348	35. 4	160	143	89. 4	516	503	97. 5
63	Fuels	1, 246	327	26. 2	116	91	78. 4	546	540	98. 9
64	Supply	5, 002	1, 158	23. 2	632	514	81. 3	3, 308	3, 273	98. 9
65	Contracting	239	74	31. 0	45	41	91. 1	190	188	98. 9
67	Acct & fin, auditing	972	187	19. 2	117	84	71. 8	441	430	97. 5
69	Mgt analysis	35	9	25. 7	12	11	91. 7	88	87	98. 9
70	Administration	5, 674	1, 423	25. 1	689	560	81. 3	3, 409	3, 348	98. 2
71	Printing	104	25	24. 0	22	17	77. 3	115	112	97. 4
73	Personnel	1, 777	347	19. 5	414	346	83. 6	1, 745	1, 705	97. 7
74	Morale, welfare and rec	243	48	19. 8	50	41	82. 0	322	318	98. 8
75	Educ & training	425	86	20. 2	92	72	78. 3	686	678	98. 8
79	Public affairs	351	41	11. 7	41	29	70. 7	155	150	96. 8
81	Security police	4, 471	855	19. 1	311	257	82. 6	1, 494	1, 459	97. 7
82	Spec investigations	15	5	33. 3	33	28	84. 8	205	198	96. 6
87	Band	237	41	17. 3	21	16	76. 2	125	123	98. 4
90	Medical	2, 439	588	24. 1	274	187	68. 2	1, 176	1, 134	96. 4
91	Medical	415	105	25. 3	45	31	68. 9	320	312	97. 5
92	Aircrew protect	409	79	19. 3	70	57	81. 4	246	239	97. 2
98	Dental	467	96	20. 6	39	27	69. 2	193	187	96. 9
99	Rptg/spec dutyident	1, 903	180	9. 5	156	111	71. 2	1, 424	1, 395	98. 0
	Total	74, 640	15, 221	20. 4	11, 226	8, 139	72. 5	49, 629	48, 291	97. 3

FISCAL YEAR 1974

AFSC 2-digit and career field	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
10 1st sergeant							333	333	100.0
20 Intelligence	2, 374	518	21.8	399	238	59.6	825	801	97.1
22 Geodetic	318	102	32.1	60	35	58.3	137	136	99.3
23 Audiovisual	707	163	23.1	119	89	74.8	239	228	95.4
24 Safety	17	4	23.5	32	28	87.5	152	148	97.4
25 Weather	459	82	17.9	147	97	66.0	260	251	96.5
27 Comd/con sys ops	1, 458	426	29.2	605	427	70.4	1, 659	1, 617	97.5
29 Comm ops	1, 694	492	29.0	260	214	82.3	1, 258	1, 224	97.3
30 Comm-elect sys	3, 167	812	25.6	1, 055	704	66.7	2, 508	2, 402	95.8
31 Msl-elect maint	644	197	30.6	247	171	69.2	485	465	95.9
32 Avionic sys	2, 801	393	24.7	920	570	62.0	2, 267	2, 184	96.3
34 Training devices	197	72	36.5	180	126	70.0	249	243	97.6
36 Wire comm sys maint	925	242	26.2	167	132	79.0	434	416	95.9
39 Maint mgt sys	169	60	35.5	53	42	79.2	144	143	99.3
40 Intricate equip maint	171	45	26.3	49	35	71.4	90	86	95.6
42 Acft sys maint	2, 269	672	29.6	573	418	72.9	1, 287	1, 248	97.0
43 Aircraft maint	6, 810	2, 275	33.4	3, 468	2, 507	72.3	5, 196	5, 016	96.5
44 Missile maint	293	104	35.5	88	59	67.0	157	156	99.4
46 Munitions and wpns maint	2, 295	417	18.2	601	426	70.9	1, 137	1, 088	95.7
47 Vehicle maint	1, 095	351	32.1	168	122	72.6	316	303	95.9
51 Computer sys	753	305	40.5	222	153	68.9	656	639	97.4
53 Metal working	1, 209	352	29.1	185	138	74.6	418	401	95.9
54 Mech-elect	1, 769	516	29.2	323	229	70.9	717	700	97.6

55	Struct/pavements	2, 414	776	32. 1	428	339	79. 2	964	931	96. 6
56	Sanitation	311	116	37. 3	53	46	86. 8	120	114	95. 0
57	Fire protection	957	291	30. 4	190	139	73. 2	371	362	97. 6
58	Fabric and rubber products	190	103	54. 2	47	37	78. 7	119	117	98. 3
59	Marine	22	9	40. 9	4	2	50. 0	27	25	92. 6
60	Transportation	3, 350	1, 035	30. 9	466	384	82. 4	1, 262	1, 239	98. 2
61	Services	240	90	37. 5	35	30	85. 7	89	89	100. 0
62	Food services	664	303	45. 6	176	154	87. 5	321	311	96. 9
63	Fuels	1, 414	476	33. 7	172	138	80. 2	461	447	97. 0
64	Supply	3, 706	1, 477	39. 9	815	643	78. 9	2, 295	2, 243	97. 7
65	Contracting	106	52	49. 1	46	34	73. 9	18	17	98. 2
67	Acct & fin, Auditing	1, 150	430	37. 4	177	136	76. 8	349	342	98. 0
69	Mgt analysis	64	22	34. 4	13	8	61. 5	57	57	100. 0
70	Administration	4, 864	1, 624	33. 4	1, 033	808	77. 5	2, 487	2, 394	96. 3
71	Printing	136	58	42. 6	34	26	76. 5	70	66	94. 3
73	Personnel	1, 014	406	40. 0	562	453	80. 6	137	131	97. 2
74	Morale, welfare and rec	186	50	26. 9	50	45	90. 0	250	239	95. 6
75	Educ & training	524	201	38. 4	160	132	82. 5	554	534	96. 4
79	Public affairs	267	38	14. 2	37	24	64. 9	103	99	96. 1
81	Security police	4, 030	1, 312	32. 6	437	350	80. 1	1, 064	1, 033	97. 1
82	Spec investigations	14	6	42. 9	21	17	81. 0	160	157	98. 1
87	Band	161	36	22. 4	41	33	80. 5	101	101	100. 0
90	Medical	2, 890	893	30. 9	380	277	72. 9	905	869	96. 0
91	Medical	506	193	38. 1	83	65	78. 3	233	225	96. 6
92	Aircrew protect	247	87	34. 2	110	82	74. 5	191	186	97. 4
98	Dental	402	145	36. 1	49	36	73. 5	191	185	96. 9
99	Rftg/spec duty ident	441	130	29. 5	209	175	83. 7	957	942	98. 4
	Total	61, 864	19, 257	31. 1	15, 759	11, 573	73. 4	36, 336	35, 200	96. 8

FISCAL YEAR 1975

AFSC 2-digit and career field	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
10 1st sergeant	43	29	67.4	40	34	85.0	437	437	100.0
11 Aircrew ops	1,474	394	26.7	403	259	64.3	186	185	99.5
20 Intelligence	101	27	26.7	33	27	81.8	933	909	97.4
22 Geodetic	418	160	38.3	246	192	78.0	82	82	100.0
23 Audiovisual	13	10	76.9	28	23	82.1	390	369	94.6
24 Safety	361	136	37.7	178	101	56.7	158	152	96.2
25 Weather	1,325	624	47.1	709	478	67.4	221	215	97.3
27 Comd/con sys ops	621	325	52.3	355	299	84.2	1,514	1,448	95.6
29 Comm ops	2,630	1,340	51.0	1,232	848	68.8	1,185	1,164	98.2
30 Comm-elect sys	725	359	49.5	231	161	69.7	2,298	2,205	96.0
31 Msl-elect maint	2,280	979	42.9	1,168	789	67.6	471	461	97.9
32 Avionic sys	170	77	45.3	157	95	60.5	2,370	2,301	97.1
34 Training devices	664	221	33.3	260	199	76.5	230	220	95.7
36 Wire comm sys maint	98	35	35.7	75	61	81.3	461	449	97.4
39 Maint mgt sys	63	30	47.6	56	44	78.6	173	170	98.3
40 Intricate equip maint	1,699	607	35.7	989	762	77.0	103	101	98.1
42 Acft sys maint	4,293	2,143	49.9	3,705	2,663	71.9	1,213	1,191	98.2
43 Aircraft maint	251	145	57.8	108	69	63.9	4,970	4,808	96.7
44 Missile maint	1,832	696	38.0	689	487	70.7	122	122	100.0
46 Munitions and wpns maint	615	178	28.9	233	174	74.7	1,025	985	96.1
47 Vehicle maint	571	246	43.1	270	190	70.4	343	328	95.6
51 Computer sys	665	227	34.1	396	297	75.0	640	611	95.5
53 Metal working	1,212	383	31.6	448	323	72.1	460	447	97.2
54 Mech/elect	1,363	390	28.6	449	359	80.0	674	646	95.8
55 Struct/pavements	199	52	26.1	70	54	77.1	851	827	97.2
56 Sanitation	808	181	22.4	225	176	78.2	77	75	97.4
57 Fire protection							253	249	98.4

58	Fabric and rubber products	139	40	28.8	60	53	88.3	120	117	97.5
59	Marine	7	4	57.1	12	10	83.3	23	23	100.0
60	Transportation	1,635	574	35.1	638	528	82.8	1,120	1,101	98.3
61	Services	107	55	51.4	34	31	91.2	128	127	99.2
62	Food services	494	331	67.0	262	226	86.3	402	388	96.5
63	Fuels	871	207	23.9	207	174	84.1	264	257	97.3
64	Supply	2,347	1,195	50.9	1,052	888	84.4	2,334	2 280	97.7
65	Contracting	91	78	85.7	47	35	74.5	152	147	96.7
67	Acct & fin, auditing	1,026	179	17.4	204	166	81.4	448	437	97.5
69	Mgt. analysis	54	24	44.4	20	17	85.0	74	72	97.3
70	Administration	2,517	1,339	53.2	1,341	1,116	83.2	2,657	2,599	97.8
71	Printing	111	42	37.8	44	38	86.4	87	85	97.7
73	Personnel	950	718	75.6	579	470	81.2	1,580	1,558	98.6
74	Morale, welfare and rec	170	108	63.5	85	67	78.8	297	289	97.3
75	Educ & training	263	173	65.8	139	112	80.6	477	465	97.5
79	Public affairs	139	50	36.0	50	33	66.0	96	91	94.8
81	Security police	3,644	993	27.3	695	577	83.0	1,235	1,211	98.1
82	Spec investigations	3	2	66.7	34	31	91.2	166	163	98.2
87	Band	99	42	42.4	28	24	85.7	66	65	98.5
90	Medical	2,549	657	25.8	566	437	77.2	1,177	1,132	96.2
91	Medical	491	185	37.7	[illegible]	118	82.5	307	297	96.7
92	Aircrew protect	238	99	41.6	113	89	78.8	187	182	97.3
98	Dental	412	96	23.3	102	78	76.5	225	220	97.8
99	Rptg/spec duty ident	224	102	45.5	287	225	78.4	1,078	1,047	97.1
	Total	43,075	17,287	40.1	19,495	14,707	75.4	36,540	36,510	97.2

FISCAL YEAR 1976

AFSC 2-digit and career field	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
10 1st sergeant							342	325	95.0
11 Aircrew ops	290	196	67.6	415	294	70.8	1,139	1,053	92.4
20 Intelligence	1,347	411	30.5	539	322	59.7	832	786	94.5
22 Geodetic	45	6	13.3	50	31	62.0	58	51	87.9
23 Audiovisual	321	136	42.4	377	234	64.5	412	364	88.3
24 Safety	27	26	96.3	32	21	65.6	150	140	93.3
25 Weather	279	52	18.6	168	86	51.2	353	328	92.9
27 Comd/con sys ops	1,233	562	45.6	1,009	541	53.6	1,568	1,409	89.9
29 Comm ops	1,175	476	40.5	474	345	72.8	1,234	1,148	93.0
30 Comm-elect sys	3,730	1,059	28.4	1,138	702	61.7	2,464	2,233	90.6
31 Msl-elect maint	754	218	28.9	271	148	54.6	413	384	93.0
32 Avionic sys	2,651	926	34.9	1,043	695	66.6	1,975	1,806	91.4
34 Training devices	157	72	45.9	162	64	39.5	279	251	90.0
36 Wire comm sys maint	853	286	33.5	268	178	66.4	439	405	92.3
39 Maint mgt sys	67	55	82.1	96	64	66.7	185	165	89.2
40 Intricate equip maint	85	46	54.1	65	39	60.0	113	98	86.7
42 Acft sys maint	2,272	827	36.4	1,134	806	71.4	1,211	1,103	91.1
43 Aircraft maint	4,924	2,226	45.2	3,715	2,469	66.5	4,613	4,264	92.4
44 Missile maint	273	135	49.5	150	97	64.7	163	148	90.8
46 Munitions and wpns maint	2,837	1,089	38.4	649	456	70.3	1,127	1,052	93.3
47 Vehicle maint	463	166	35.9	356	233	65.4	350	321	91.7
51 Computer sys	294	89	30.3	453	252	55.6	680	599	88.1
53 Metal working	741	265	35.8	488	321	65.8	439	396	90.2
54 Mech/elect	1,236	426	34.5	504	341	67.7	727	673	92.6

55	Struct/pavements	1,140	348	30.5	518	363	70.1	762	706	92.7
56	Sanitation	130	44	33.8	81	60	74.1	81	74	91.4
57	Fire protection	711	178	25.0	228	149	65.4	214	186	86.9
58	Fabric and rubber products	123	45	36.6	73	59	80.8	128	119	93.0
59	Marine	11	5	45.5	6	4	66.7	21	21	100.0
60	Transportation	1,500	476	31.7	751	561	74.7	762	711	93.3
61	Services	139	66	47.5	55	35	63.6	139	133	95.7
62	Food services	562	202	35.9	301	212	70.4	379	336	88.7
63	Fuels	488	182	37.3	275	198	72.0	346	325	93.9
64	Supply	2,470	960	38.9	1,449	1,152	79.5	2,358	2,216	94.0
65	Contracting	119	68	57.1	90	51	56.7	139	129	92.8
66	Logistics plans	1	1	100.0				11	10	90.9
67	Acct & Fin, auditing	725	198	27.3	181	123	68.0	430	395	91.9
69	Mgt analysis	68	40	64.5	26	20	76.9	72	69	95.8
70	Administration	3,782	1,313	34.7	1,706	1,277	74.9	2,278	2,119	93.0
71	Printing	76	39	51.3	52	41	78.8	80	78	97.5
73	Personnel	1,024	518	50.6	644	453	70.3	1,321	1,207	91.4
74	Morale, welfare and rec	338	108	32.0	108	75	69.4	287	264	92.0
75	Educ & training	153	84	54.9	152	103	67.8	554	519	93.7
79	Public affairs	187	63	33.7	97	56	57.7	100	89	89.0
81	Security police	4,332	1,923	44.4	1,028	801	77.9	1,133	1,057	93.3
82	Spec investigations	10	10	100.0	61	49	80.3	189	170	189.9
87	Band	144	65	45.1	38	30	78.9	92	85	92.4
90	Medical	2,240	796	35.5	754	491	65.1	1,094	990	90.5
91	Medical	452	158	35.0	205	142	69.3	357	320	89.6
92	Aircrew protect	301	115	38.2	94	71	75.5	155	148	95.5
98	Dental	533	128	24.0	150	89	59.3	233	219	94.0
99	Rptg/spec duty ident	252	161	63.9	398	236	59.3	1,116	941	84.3
	Total	48,059	18,044	37.5	23,077	15,649	67.8	36,097	33,138	91.8

FISCAL YEAR 1977

AFSC 2-digit and career field	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
10 1st sergeant							406	397	97.8
11 Aircrew ops	330	199	60.3	194	136	70.1	962	935	97.2
20 Intelligence	1,032	352	34.1	342	204	59.6	708	673	95.1
22 Geodetic	30	11	36.7	12	4	33.3	43	38	88.4
23 Audiovisual	323	121	37.5	283	191	67.5	364	331	90.9
24 Safety	29	25	86.2	55	43	78.2	181	167	92.3
25 Weather	282	174	61.7	77	35	45.5	205	190	92.7
27 Comd/con sys ops	1,663	916	55.1	779	499	64.1	1,464	1,380	94.3
29 Comm ops	939	387	41.2	533	360	67.5	1,013	977	96.4
30 Comm-elect sys	3,074	867	28.2	1,009	633	62.7	2,573	2,413	93.8
31 Msl-elect maint	636	109	17.1	153	90	58.8	409	378	92.4
32 Avionic sys	2,721	720	26.5	766	498	65.0	1,981	1,863	94.0
34 Training devices	231	139	60.2	84	55	65.5	212	192	90.6
36 Wire comm sys maint	621	185	29.8	179	116	64.8	344	325	94.5
39 Maint mgt sys	208	154	74.0	177	135	76.3	524	499	95.2
40 Intricate equip maint	129	58	45.0	38	29	76.3	128	120	93.8
42 Acft sys maint	3,256	1,267	38.9	1,087	837	77.0	1,995	1,910	95.7
43 Aircraft maint	3,590	1,427	39.7	1,298	900	69.3	3,081	2,938	95.4
44 Missile maint	160	48	30.0	77	58	75.3	155	144	92.9
46 Munitions and wpns maint	2,176	746	34.3	468	354	75.6	1,050	1,014	96.6
47 Vehicle maint	355	181	51.0	241	158	65.6	338	320	94.7
51 Computer sys	436	198	45.4	242	114	47.1	567	516	91.0
53 Metal working	406	175	43.1	176	134	76.1	231	221	95.7
54 Mech/elect	1,008	344	34.1	425	256	60.2	647	605	93.5
55 Struct/pavements	1,006	378	37.6	589	428	72.7	902	865	95.9

56	Sanitation	109	42	38.5	62	53	85.5	95	90	94.7
57	Fire protection	570	171	30.0	220	148	67.3	299	283	94.6
58	Fabric and rubber products	46	27	58.7	32	27	84.4	55	53	96.4
59	Marine	4	3	75.0	8	7	87.5	22	20	90.9
60	Transportation	1,282	485	37.8	743	538	72.4	910	884	97.1
61	Services	74	33	44.6	63	45	71.4	102	99	97.1
62	Food services	328	178	54.3	253	180	71.1	347	331	95.4
63	Fuels	473	218	46.1	282	212	75.2	345	333	96.5
64	Supply	1,507	807	53.6	1,230	936	76.1	2,056	1,979	96.3
65	Contracting	96	53	55.2	87	52	59.8	163	154	94.5
66	Logistics plans	6	5	83.3	8	7	87.5	98	95	96.9
67	Acct & fin, auditing	408	149	36.5	179	109	60.9	385	367	95.3
69	Mgt analysis	20	13	65.0	32	23	71.9	67	60	89.6
70	Administration	2,716	1,299	47.8	1,357	987	72.7	2,475	2,379	96.1
71	Printing	79	38	48.1	32	23	71.9	55	50	90.9
73	Personnel	420	203	48.3	426	294	69.0	1,624	1,547	95.3
74	Morale, welfare and rec	139	66	47.5	123	82	66.7	246	238	96.7
75	Educ & training	96	69	71.9	196	129	65.8	583	540	92.6
79	Public affairs	91	31	34.1	75	42	56.0	145	135	93.1
81	Security police	2,737	1,019	37.2	903	687	76.1	1,012	976	96.4
82	Spec investigations	1	1	100	31	19	61.3	177	162	91.5
87	Band	113	45	39.8	36	24	66.7	102	100	98.0
90	Medical	1,932	614	31.8	641	425	66.3	973	910	93.5
91	Medical	312	141	45.2	214	147	68.7	325	310	95.4
92	Aircrew protect	195	77	39.5	67	54	80.6	150	145	96.7
98	Dental	309	113	36.6	111	75	67.6	170	157	92.4
99	Rptg/spec duty ident	224	93	41.5	379	175	46.2	1,167	1,014	86.9
	Total	38,928	15,174	39.0	17,074	11,767	68.9	34,631	32,822	94.8

FISCAL YEAR 1978

AFSC 2-digit and career field	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
10 1st sergeant				1	0	0	287	284	99.0
11 Aircrew ops	334	190	56.9	284	184	64.8	767	734	95.7
20 Intelligence	867	352	40.6	483	330	68.3	637	584	91.7
22 Geodetic	15	8	53.3	8	3	37.5	17	15	88.2
23 Audiovisual	183	93	50.8	223	153	68.6	286	266	93.0
24 Safety	22	18	81.8	62	44	71.0	199	189	95.0
25 Weather	231	136	58.9	116	63	54.3	220	200	90.9
27 Comd/con sys ops	1,540	732	47.5	579	366	63.2	1,211	1,125	92.9
29 Comm ops	527	196	37.2	388	244	62.9	771	742	96.2
30 Comm-elect sys	1,949	653	33.5	892	453	50.8	1,774	1,620	91.3
31 Msl-elect maint	354	127	35.9	174	83	47.7	325	275	84.6
32 Avionic sys	2,008	579	28.8	640	353	55.2	1,546	1,439	93.1
34 Training devices	170	104	61.2	86	53	61.6	181	163	90.1
36 Wire comm sys maint	308	125	40.6	155	100	64.5	252	237	94.0
39 Maint mgt sys	144	105	72.9	135	90	66.7	488	467	95.7
40 Intricate equip maint	77	26	33.8	61	38	62.3	90	85	94.4
42 Acft sys maint	2,345	980	41.8	1,110	760	68.5	1,975	1,880	95.2
43 Aircraft maint	2,523	918	36.4	1,357	859	63.3	2,816	2,633	93.5
44 Missile maint	80	24	30.0	69	35	50.7	144	136	94.4
46 Munitions and wpns maint	1,259	443	35.2	384	284	74.0	858	817	95.2
47 Vehicle maint	366	200	54.6	276	176	63.8	262	249	95.0
51 Computer sys	487	297	61.0	281	144	51.2	485	437	90.1
54 Mech/elect	776	324	41.8	441	276	62.6	556	516	92.8

55 Struct/pavements	700	330	47.1	633	434	68.6	809	773	95.6
56 Sanitation	116	35	30.2	80	55	68.8	91	87	95.6
57 Fire protection	573	186	32.5	215	141	65.6	248	232	93.5
59 Marine	1	1	100.0	6	1	16.7	14	13	92.9
60 Transportation	1,041	431	41.4	722	532	73.7	648	619	95.5
61 Services	72	40	55.6	54	39	72.2	77	73	94.8
62 Food services	214	122	57.0	190	137	72.1	287	276	96.2
63 Fuels	545	191	35.0	307	230	74.9	250	241	96.4
64 Supply	1,514	618	40.8	1,138	776	68.2	1,497	1,421	94.9
65 Contracting	65	50	76.9	64	44	68.8	133	126	94.7
66 Logistics plans	13	12	92.3	10	9	90.0	97	92	94.8
67 Acct & fin, auditing	248	135	54.4	270	156	57.8	319	295	92.5
69 Mgt analysis	39	29	74.4	35	14	40.0	47	42	89.4
70 Administration	1,726	911	52.8	1,383	1,024	74.0	1,858	1,750	94.2
71 Printing	36	17	47.2	42	32	76.2	69	65	94.2
73 Personnel	423	284	67.1	438	256	58.4	1,329	1,219	91.7
74 Morale, welfare and rec	67	38	56.7	103	67	65.0	188	174	92.6
75 Educ & training	69	55	79.7	168	102	60.7	425	395	92.9
79 Public affairs	97	52	53.6	57	31	54.4	94	83	88.3
81 Security police	2,315	781	33.7	1,059	733	69.2	1,000	945	94.5
82 Spec investigations	5	3	60.0	43	22	51.2	157	134	85.4
87 Band	109	68	62.4	33	23	69.7	68	61	89.7
90 Medical	1,502	494	32.9	717	438	61.1	842	778	92.4
91 Medical	222	79	35.6	278	133	47.8	468	222	47.4
92 Aircrew protect	128	64	50.0	84	61	72.6	120	115	95.8
98 Dental	280	109	38.9	133	76	57.1	164	157	95.7
99 Rptg/spec duty ident	218	128	58.7	369	228	61.8	1,077	932	86.5
Total	28,903	11,893	41.1	16,836	10,885	64.7	28,523	26,413	92.6

FISCAL YEAR 1979

AFSC 2-digit and career field	1st term			2d term			Career		
	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent	Eligible	Reenlistment	Percent
10 1st sergeant							320	224	97.4
11 Aircrew ops	388	263	67.8	236	177	75.0	800	760	95.0
20 Intelligence	1,013	317	31.3	326	184	56.4	668	603	90.3
22 Geodetic	16	7	43.8	7	4	57.1	10	7	70.0
23 Audiovisual	232	102	44.0	121	83	68.6	361	329	91.1
24 Safety	35	31	88.6	50	30	60.0	157	146	93.0
25 Weather	425	205	48.2	112	53	47.3	247	213	86.2
27 Comd/con sys ops	1,590	690	43.4	621	358	57.6	1,333	1,202	90.2
29 Comm ops	648	267	41.2	328	222	67.7	752	700	93.1
30 Comm-elect sys	2,731	856	31.3	802	378	47.1	1,896	1,705	89.9
31 Msl-elect maint	605	195	32.2	199	94	47.2	352	315	89.5
32 Avionic sys	2,564	835	32.6	616	314	51.0	1,597	1,416	88.7
34 Training devices	245	90	36.7	77	32	41.6	200	172	86.0
36 Wire comm sys maint	496	152	30.6	164	97	59.1	316	280	88.6
39 Maint mgt sys	140	92	65.7	118	69	58.5	499	464	93.0
40 Intricate equip maint	69	37	53.6	43	24	55.8	95	87	91.6
42 Acft sys maint	3,485	1,247	35.8	962	588	61.1	2,233	2,068	92.6
43 Aircraft maint	3,261	1,018	31.2	1,133	641	56.6	3,014	2,762	91.6
44 Missile maint	207	61	29.5	69	34	49.3	139	119	85.6
46 Munitions and wpns maint	1,823	530	28.9	638	403	63.2	874	817	93.5
47 Vehicle maint	497	186	37.4	172	110	64.0	285	267	93.7
51 Computer sys	888	468	52.7	260	153	58.8	523	440	84.1
54 Mech/elect	1,304	435	33.4	305	190	62.3	586	537	91.6
55 Struct/pavements	1,331	402	30.2	377	208	59.9	785	729	92.9
56 Sanitation	153	59	38.6	38	25	65.8	82	78	95.1
57 Fire protection	811	234	28.9	149	94	63.1	256	241	94.1

59	Marine	8	5	62.5	7	5	71.4	15	15	100.0
60	Transportation	1,668	638	38.2	427	303	71.0	725	688	94.9
61	Services	115	51	44.3	54	33	61.1	107	103	96.3
62	Food services	383	158	41.3	201	130	64.7	333	315	94.6
63	Fuels	739	302	40.9	143	93	65.0	244	227	93.0
64	Supply	2,089	1,063	50.9	918	626	68.2	1,843	1,752	95.1
65	Contracting	113	90	79.6	60	33	55.0	112	102	91.1
66	Logistics plans	12	10	83.3	18	9	50.0	106	100	94.3
67	Acct & fin, auditing	703	274	39.0	199	129	64.8	336	299	89.0
69	Mgt analysis	42	27	64.3	19	10	52.6	62	57	91.9
70	Administration	2,695	1,178	43.7	955	630	66.0	2,090	1,960	93.8
71	Printing	47	27	57.4	38	28	73.7	74	70	94.6
73	Personnel	688	433	62.9	384	240	62.5	1,182	1,088	92.0
74	Morale, welfare and rec	141	62	44.0	90	57	63.3	201	189	94.0
75	Educ & training	155	10[illegible]	65.2	98	53	54.1	430	385	89.5
79	Public affairs	109	67	61.5	73	40	54.8	116	95	81.9
81	Security police	3,770	1,094	29.0	929	595	64.0	1,166	1,073	92.0
82	Spec investigations	21	20	95.2	22	9	40.9	172	140	81.4
87	Band	109	61	56.0	42	28	66.7	64	61	95.3
90	Medical	1,914	763	39.9	536	316	59.0	978	891	91.1
91	Medical	313	138	44.1	193	102	52.8	280	228	81.4
92	Aircrew protect	220	83	37.7	85	53	62.4	161	148	91.9
98	Dental	390	127	32.6	91	48	52.7	165	144	87.3
99	Rptg/spec duty ident	482	367	76.1	376	192	51.1	1,326	1,047	79.0
	Total	41,892	15,918	38.0	13,851	8,327	60.1	30,578	27,858	91.1

FISCAL YEAR 1980

AFSC 2-digit and career field		1st term				Career			
		Eligible	Reenlistments		Percent	Eligible	Reenlistments		Percent
10 1st sergeant							271	267	98.5
11 Aircrew ops	565	394	69.7	298	231	77.5	893	850	95.2
20 Intelligence	807	335	41.5	365	212	58.1	740	668	90.3
22 Geodetic	3	3	100.0	5	4	80.0	16	14	87.5
23 Audiovisual	212	96	45.3	142	93	65.5	323	291	90.1
24 Safety	81	66	81.5	51	30	58.8	177	161	91.0
25 Weather	303	100	33.0	82	47	57.3	273	252	92.3
27 Comd/con sys ops	1,782	891	50.0	635	410	64.6	1,317	1,206	91.6
29 Comm ops	784	269	34.3	372	251	67.5	783	741	94.6
30 Comm-elec sys	3,036	812	26.7	919	479	52.1	1,890	1,735	91.8
31 Msl-elect maint	590	135	22.9	180	92	51.1	340	294	86.5
32 Avionic sys	2,907	565	19.4	721	365	50.6	1,556	1,410	90.6
34 Training devices	270	116	43.0	70	40	57.1	196	161	82.1
36 Wire comm sys maint	703	214	30.4	204	130	63.7	297	260	87.5
39 Maint mgt sys	120	50	41.7	125	69	55.2	433	398	91.9
40 Intricate equip maint	89	47	52.8	58	29	50.0	76	65	85.5
42 Acft sys maint	3,945	1,245	31.6	1,193	738	61.9	2,135	1,997	93.5
43 Aircraft maint	3,891	1,031	26.5	1,452	897	61.8	2,932	2,745	93.6
44 Missile maint	268	108	40.3	95	56	58.9	179	164	91.6
46 Munitions and wpns maint	1,468	466	31.7	757	483	63.8	938	889	94.8
47 Vehicle maint	550	220	40.0	160	108	67.5	372	355	95.4
51 Computer sys	857	456	53.2	246	137	55.7	482	417	86.5

54	Mech/elect	1,167	325	27.8	328	213	64.9	569	535	94.0
55	Struct/pavements	1,095	416	38.0	360	231	64.2	770	716	93.0
56	Sanitation	160	51	31.9	37	27	73.0	95	90	94.7
57	Fire protection	766	179	23.4	151	108	71.5	232	226	97.4
59	Marine	6	4	66.7	4	3	75.0	12	11	91.7
60	Transportation	1,183	474	40.1	380	289	76.1	777	736	94.7
61	Services	89	39	43.8	70	50	71.4	127	124	97.6
62	Food services	325	121	37.2	191	145	75.9	354	335	94.6
63	Fuels	507	209	41.2	166	116	69.9	306	284	92.8
64	Supply	2,209	1,025	46.4	869	631	72.6	1,792	1,703	95.0
65	Contracting	223	157	70.4	78	38	48.7	138	129	83.5
66	Logistics plans	7	4	57.1	23	19	82.6	131	123	93.9
67	Acct & Fin, auditing	630	226	35.9	186	129	69.4	371	337	90.8
69	Mgt analysis	70	62	88.6	16	8	50.0	46	40	87.0
70	Administration	2,107	991	47.0	1,040	748	71.9	2,143	2,015	94.0
71	Printing	2	1	50.0	4	4	100.0	7	6	85.7
73	Personnel	655	357	54.5	527	326	61.9	1,159	1,072	92.5
74	Morale, welfare and rec	100	62	62.0	71	47	66.2	206	194	94.2
75	Educ & training	103	70	68.0	103	68	66.0	451	422	93.6
79	Public affairs	153	112	73.2	62	34	54.8	122	101	82.8
81	Security police	3,640	983	27.0	1,432	881	61.5	1,274	1,164	91.4
82	Spec investigations	30	30	100.0	32	23	71.9	141	121	85.8
87	Band	119	41	34.5	49	32	65.3	82	78	95.1
90	Medical	2,118	770	36.4	616	373	60.6	1,033	948	91.8
91	Medical	312	145	46.5	195	106	54.4	295	244	82.7
92	Aircrew protect	223	80	35.9	78	59	75.6	142	136	95.8
98	Dental	399	146	36.6	110	56	50.9	196	178	90.8
99	Rptg/spec duty ident	573	415	72.4	582	304	52.2	1,430	1,013	70.8
	Total	42,202	15,114	35.8	15,890	9,969	62.7	31,020	28,421	91.6

SKILL AREA AND PAY GRADE SHORTAGES

Senator **Exon**. For the record, please have each Service furnish a table showing shortages within each skill area by pay grade. Also, please provide the data on the use of bonus monies by skill area and pay grade within skill area for fiscal years 1972 through 1980. Please include maximum amount of bonus payable for each grade within skill area, actual number of persons eligible for the bonus in each fiscal year, actual number of persons who received the bonus in each grade within skill area, and the total dollars paid in bonuses to each grade within each skill area.

ARMY

General **Tice**. The information is displayed best in Tables 1 through 43 below and reflect a considerable amount of career field realinement during the period fiscal year 1974 through fiscal year 1980. Reenlistment Bonus data is not provided for fiscal year 1972 or fiscal year 1973 because the bonus program in effect at that time differed significantly from the current Selective Reenlistment Bonus (SRB) program which was implemented on 1 June 1974. In addition, the data are provided by skill and bonus zone rather than by skill and pay grade. Bonus zones include: Zone A—21 months to 6 years of service; Zone B—6 to 10 years of service; Zone C—10 to 14 years of service.

Recent legislative changes to the SRB Program include an increase in the maximum SRB payment from $12,000 to $16,000 ($15,000 to $20,000 for Navy nuclear qualified petty officers), a change in the active years of obligated service cutoff for SRB computation from 12 years to 16 years, and authorization of Zone C SRB.

The SRB award level is computed by the soldier's monthly base pay times the additional years of obligated service incurred through reenlistment, times the SRB multiplier. A representative bonus computation for the following example is provided: E-4 over two years of service reenlists at ETS for a maximum of six years in a skill authorized a Zone A multiplier 2.

SRB=Base Pay x Reup Period x SRB Multiplier
=$638 x 6 x 2
=$7,656 (before taxes)

TABLE 1.—INFANTRY

CMF 11	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	563	548	560	562	496	514	542
Operational	692	649	599	627	591	579	553
Percent	123	118	107	112	119	113	102
E-8:							
Authorized	2,802	2,905	2,897	3,033	2,101	2,175	2,211
Operational	2,505	2,829	2,697	2,728	2,011	1,971	1,943
Percent	89	97	93	90	96	91	88
E-7:							
Authorized	5,335	6,249	6,396	6,425	4,270	4,812	4,906
Operational	5,724	5,994	5,827	6,621	4,846	4,731	4,759
Percent	107	96	91	103	113	98	97
E-6:							
Authorized	10,295	12,424	12,518	13,350	8,139	8,949	8,988
Operational	8,505	9,439	9,901	11,378	7,563	7,208	7,628
Percent	83	76	79	85	93	81	85
E-5:							
Authorized	19,458	21,147	18,131	18,410	11,518	10,919	10,932
Operational	9,659	13,420	16,137	16,966	12,779	10,207	10,849
Percent	50	63	89	92	111	94	99
E-4:							
Authorized	25,215	27,325	30,781	31,746	25,273	24,504	24,451
Operational	26,285	26,427	28,068	35,051	23,053	20,922	18,697
Percent	104	98	91	110	91	85	76
E 1-3:							
Authorized	25,217	28,140	30,798	31,524	24,301	23,559	22,952
Operational	32,832	32,062	43,946	36,717	25,944	23,547	25,632
Percent	130	114	143	116	107	100	112
Total:							
Authorized	88,884	98,738	102,081	105,050	76,098	75,432	74,982
Operational	86,202	99,640	107,173	110,088	76,787	69,165	70,061
Percent	97.0	91.8	105.0	104.8	100.9	91.7	93

TABLE 2.—COMBAT ENGINEERING

CMF 12	Fiscal year— 1974	1975	1976	1977	1978	1978	1980
E-9:							
Authorized	47	44	53	56	55	58	59
Operational	53	60	49	57	67	67	69
Percent	113	136	93	102	122	116	117
E-8:							
Authorized	424	412	448	459	416	436	445
Operational	339	345	323	362	362	360	366
Percent	80	84	72	79	87	83	82
E-7:							
Authorized	782	1,018	944	1,014	865	1,015	998
Operational	896	951	907	1,030	1,024	1,102	1,062
Percent	115	93	96	102	117	109	106
E-6:							
Authorized	1,544	1,982	1,992	1,873	1,609	1,991	2,004
Operational	1,276	1,525	1,635	1,605	1,593	1,660	1,726
Percent	83	77	82	86	99	83	86
E-5:							
Authorized	2,652	2,695	3,021	2,838	2,999	3,108	3,011
Operational	1,633	1,830	1,820	2,535	2,775	2,514	2,736
Percent	62	68	60	89	93	81	91
E-4:							
Authorized	7,016	6,850	7,433	7,413	7,093	7,510	7,470
Operational	3,721	3,912	4,600	4,399	5,933	5,346	5,158
Percent	53	57	62	59	84	71	69
E 1-3:							
Authorized	2,534	2,386	2,580	2,663	3,603	3,816	3,527
Operational	5,130	8,295	7,646	6,741	6,809	6,135	6,390
Percent	202	348	296	253	189	161	181
Total:							
Authorized	14,999	15,307	16,471	16,316	16,560	17,934	17,514
Operational	13,048	16,918	16,979	16,729	18,563	17,184	17,507
Percent	87.0	110.0	103.1	102.5	111.5	95.8	99

TABLE 3.—FIELD ARTILLERY

CMF 13	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	105	101	100	112	109	109	107
Operational	108	136	154	136	113	117	107
Percent	103	135	154	121	104	107	100
E-8:							
Authorized	783	824	867	1,095	1,064	1,061	1,066
Operational	475	452	394	614	598	619	631
Percent	61	55	45	56	56	58	59
E-7:							
Authorized	616	660	783	1,644	1,698	2,072	2,161
Operational	891	1,029	989	1,792	1,915	1,857	1,925
Percent	145	156	126	109	113	90	89
E-6:							
Authorized	2,332	2,651	3,067	4,106	4,209	4,489	4,581
Operational	1,879	1,967	2,206	3,641	3,785	3,882	3,868
Percent	81	74	72	89	90	87	84
E-5:							
Authorized	2,927	3,170	3,254	5,305	6,092	6,035	5,988
Operational	2,224	2,977	3,181	4,559	5,317	5,285	5,310
Percent	76	94	98	86	87	88	89
E-4:							
Authorized	6,994	7,631	8,346	11,680	11,812	11,677	11,569
Operational	9,012	8,060	9,158	13,209	12,701	11,593	10,854
Percent	129	106	110	113	108	99	94
E 1-3:							
Authorized	9,386	9,896	11,082	12,830	14,361	14,198	14,237
Operational	5,021	10,489	12,489	15,212	15,386	14,044	14,345
Percent	53	106	113	119	107	99	101
Total:							
Authorized	23,143	24,933	27,499	36,772	39,345	39,641	39,709
Operational	19,610	25,110	28,571	39,163	39,815	37,397	37,040
Percent	84.7	100.7	103.9	106.5	101.2	94.3	93

TABLE 4.—FIELD ARTILLERY MISSILES

CMF 15	FISCAL YEAR—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	5	4	6				
Operational	11	13	11				
Percent	220	325	183				
E-8:							
Authorized	156	143	124				
Operational	64	74	89				
Percent	41	52	72				
E-7:							
Authorized	266	321	279				
Operational	267	312	289				
Percent	100	97	104				
E-6:							
Authorized	485	476	464				
Operational	387	394	407				
Percent	80	83	88				
E-5:							
Authorized	842	691	729				
Operational	397	419	560				
Percent	47	61	77				
E-4:							
Authorized	1, 976	1, 547	1, 646				
Operational	1, 495	1, 107	1, 119				
Percent	76	72	68				
E 1-3:							
Authorized	1, 365	721	763				
Operational	1, 574	1, 890	1, 402				
Percent	115	262	184				
Total:							
Authorized	5, 095	3, 903	4, 011				
Operational	4, 195	4, 209	3, 877				
Percent	82. 3	107. 8	96. 7				

TABLE 5.—AIR DEFENSE ARTILLERY

CMF 16	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	51	44	39	28	30	30	29
Operational	57	56	53	53	47	43	43
Percent	112	127	136	189	157	143	148
E-8:							
Authorized	455	440	479	474	463	462	472
Operational	341	348	327	334	311	286	292
Percent	75	79	68	70	67	62	62
E-7:							
Authorized	756	722	747	752	778	771	758
Operational	726	828	816	797	794	828	823
Percent	96	115	109	106	102	107	110
E-6:							
Authorized	1, 992	1, 785	2, 224	2, 298	2, 435	2, 423	2, 417
Operational	1, 455	1, 566	1, 508	1, 797	1, 979	1, 987	2, 069
Percent	73	88	68	78	81	82	86
E-5:							
Authorized	3, 100	2, 583	3, 692	3, 694	3, 830	3, 787	3, 764
Operational	1, 837	2, 015	2, 158	2, 845	3, 606	3, 256	3, 331
Percent	59	78	58	77	94	86	88
E-4:							
Authorized	6, 129	5, 286	6, 233	6, 338	6, 846	6, 587	6, 518
Operational	4, 230	3, 263	3, 219	5, 074	5, 038	4, 388	4, 453
Percent	69	62	52	80	74	67	68
E 1-3:							
Authorized	2, 921	2, 291	2, 269	2, 336	2, 508	2, 413	2, 294
Operational	4, 714	4, 821	6, 792	6, 306	5, 836	5, 083	5, 569
Percent	161	210	299	270	233	211	243
Total:							
Authorized	15, 404	13, 151	15, 686	15, 920	16, 890	16, 473	16, 252
Operational	13, 360	12, 897	14, 873	17, 206	17, 611	15, 871	16, 589
Percent	86. 7	98. 1	94. 8	108. 1	104. 3	96. 3	102

TABLE 6.—COMBAT SURVEILLANCE/TARGET ACQUISITION

	Fiscal year—						
CMF 17	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	2	2	2				
Operational	2	3	4				
Percent	100	150	200				
E-8:							
Authorized	90	97	101				
Operational	58	66	80				
Percent	64	68	79				
E-7:							
Authorized	306	337	352				
Operational	298	302	287				
Percent	97	90	82				
E-6:							
Authorized	766	840	951				
Operational	547	564	605				
Percent	71	67	64				
E-5:							
Aurhorized	1,996	2,145	2,321				
Operational	584	734	811				
Percent	29	34	35				
E-4:							
Authorized	1,963	2,237	2,598				
Operational	1,593	1,416	1,541				
Percent	81	63	59				
E 1-3:							
Authorized	877	894	941				
Operational	1,811	2,271	2,572				
Percent	207	254	273				
Total:							
Authorized	6,000	6,552	7,266				
Operational	4,893	5,356	5,900				
Percent	81.6	81.7	81.2				

TABLE 7.—ARMOR

	Fiscal year—						
CMF 19	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized					15	63	63
Operational					81	80	65
Percent					540	127	103
E-8:							
Authorized					817	839	877
Operational					638	630	662
Percent					78	75	76
E-7:							
Authorized					1,307	1,659	1,751
Operational					1,655	1,690	1,604
Percent					127	102	92
E-6:							
Authorized					3,752	4,645	4,759
Operational					3,342	3,730	3,775
Percent					89	80	79
E-5:							
Authorized					5,318	5,559	5,504
Operational					5,730	4,813	4,666
Percent					108	87	85
E-4:							
Authorized					6,946	7,527	7,818
Operational					6,253	6,663	7,218
Percent					90	89	92
E 1-3:							
Authorized					7,943	8,609	7,971
Operational					10,143	10,808	12,411
Percent					128	126	156
Total:							
Authorized					26,098	28,901	28,743
Operational					27,842	28,414	30,401
Percent					106.7	98.3	106

TABLE 8.—BALLISTIC MISSILE ELECTRONIC MAINTENANCE

CMF 21	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized			1	0			
Operational			0	1			
Percent			0				
E-8:							
Authorized	11	12	8	12			
Operational	19	22	12	9			
Percent	173	183	150	75			
E-7:							
Authorized	102	55	61	60			
Operational	101	92	82	68			
Percent	99	167	134	113			
E-6:							
Authorized	153	205	192	186			
Operational	168	151	122	86			
Percent	110	74	64	46			
E-5:							
Authorized	278	255	267	256			
Operational	128	117	111	110			
Percent	46	46	42	43			
E-4:							
Authorized	158	123	123	106			
Operational	167	152	132	123			
Percent	106	124	107	116			
E 1-3:							
Authorized	42						
Operational	145	147	137	151			
Percent	345						
Total:							
Authorized	744	650	652	620			
Operational	728	681	596	548			
Percent	97.8	104.8	91.4	88.4			

TABLE 9.—AIR DEFENSE MISSILE MAINTENANCE

CMF 23	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized			5	6	2	3	3
Operational		1	3	6	10	12	13
Percent			60	100	500	400	433
E-8:							
Authorized	63	88	62	59	59	82	79
Operational	96	81	65	75	78	85	87
Percent	152	92	105	127	132	104	110
E-7:							
Authorized	969	871	817	756	676	748	715
Operational	688	752	783	804	800	750	724
Percent	71	86	96	106	189	100	101
E-6:							
Authorized	1,579	1,274	1,429	1,391	940	1,188	1,155
Operational	1,233	1,233	1,097	993	977	1,020	1,014
Percent	78	97	77	71	104	86	
E-5:							
Authorized	1,719	1,537	1,705	1,617	1,401	1,326	1,257
Operational	726	823	838	816	1,083	1,131	1,139
Percent	42	54	49	50	77	85	91
E-4:							
Authorized	351	357	385	367	667	801	794
Operational	1,146	1,252	842	780	1,360	1,374	1,365
Percent	327	350	219	213	204	172	172
E 1-3:							
Authorized			9		466	557	558
Operational	952	679	499	744	924	932	818
Percent			5,544		198	167	68
Total:							
Authorized	4,681	4,127	4,412	4,196	4,211	4,705	4,561
Operational	4,851	4,812	4,127	4,218	5,232	5,304	5,160
Percent	103.7	116.8	93.5	100.5	124.2	112.7	113

TABLE 10.—MICROWAVE MAINTENANCE

CMF 26	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	3	3	1	1			
Operational	8	5	4	0			
Percent	267	167	400	0			
E-8:							
Authorized	25	24	20	14			
Operational	24	29	26	0			
Percent	96	121	130	0			
E-7:							
Authorized	149	159	154	91			
Operational	170	166	153	28			
Percent	114	104	99	31			
E-6:							
Authorized	364	331	344	344			
Operational	353	326	293	271			
Percent	97	98	85	79			
E-5:							
Authorized	657	670	718	561			
Operational	386	381	308	200			
Percent	59	57	43	35			
E-4:							
Authorized	187	169	145	129			
Operational	395	389	253	181			
Percent	211	230	174	140			
E 1-3:							
Authorized							
Operational	317	184	136	211			
Percent							
Total:							
Authorized	1, 385	1, 356	1, 382	1, 141			
Operational	1, 653	1, 480	1, 173	891			
Percent	119. 4	109. 1	84. 9	78. 1			

TABLE 11.—BALLISTIC/LAND COMBAT MISSILE AND LIGHT AIR DEFENSE WEAPONS SYSTEMS MAINTENANCE

CMF 27	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	—	—	—	3	2	2	2
Operational	—	—	1	3	7	9	11
Percent	—	—	—	100	350	450	550
E-8:							
Authorized	33	41	44	66	69	102	103
Operational	19	23	27	43	58	67	66
Percent	58	56	61	65	84	66	64
E-7:							
Authorized	230	214	235	267	287	348	350
Operational	123	142	147	175	256	247	241
Percent	53	66	63	66	89	71	69
E-6:							
Authorized	383	427	477	515	565	718	688
Operational	248	289	322	312	454	494	544
Percent	65	68	68	61	80	69	79
E-5:							
Authorized	508	577	647	789	1011	884	831
Operational	212	255	293	434	721	649	703
Percent	42	44	45	55	71	73	85
E-4:							
Authorized	467	544	592	680	746	844	876
Operational	323	414	457	570	923	993	963
Percent	69	76	77	84	124	118	110
E 1-3:							
Authorized					269	304	438
Operational	397	416	611	606	735	791	681
Percent					273	260	155
Total:							
Authorized	1, 621	1, 803	1, 995	2, 322	2, 949	3, 202	3, 288
Operational	1, 322	1, 539	1, 858	2, 143	3, 154	3, 250	3, 209
Percent	81. 6	85. 4	93. 1	92. 3	107. 0	101. 5	98

TABLE 12.—AVIATION COMMUNICATIONS—ELECTRONICS

	Fiscal year—						
CMF 28	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized					2	2	2
Operational					5	5	4
Percent					250	250	200
E-8:							
Authorized					32	37	37
Operational					28	26	34
Percent					88	70	92
E-7:							
Authorized					171	181	191
Operational					202	198	173
Percent					118	109	91
E-6:							
Authorized					308	348	344
Operational					322	353	339
Percent					105	101	99
E-5:							
Authorized					894	670	636
Operational					675	583	488
Percent					76	87	77
E-4:							
Authorized					287	365	400
Operational					397	390	402
Percent					138	107	101
E 1-3:							
Authorized					235	299	335
Operational					260	255	300
Percent					111	85	90
Total:							
Authorized					1,929	1,902	1,945
Operational					1,889	1,810	1,740
Percent					97.9	95.2	90

TABLE 13.—COMMUNICATIONS—ELECTRONICS MAINTENANCE

	Fiscal year—						
CMF 29	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized					53	56	48
Operational					55	63	53
Percent					104	113	110
E-8:							
Authorized					344	362	363
Operational					309	351	343
Percent					90	97	95
E-7:							
Authorized					1,301	1,287	1,273
Operational					1,392	1,461	1,413
Percent					107	114	111
E-6:							
Authorized					2,386	2,003	1,887
Operational					2,170	2,047	2,080
Percent					91	102	110
E-5:							
Authorized					5,057	3,792	3,256
Operational					3,588	3,205	3,027
Percent					71	85	93
E-4:							
Authorized					1,371	2,453	2,441
Operational					2,193	2,182	2,281
Percent					160	89	93
E 1-3:							
Authorized					793	1,420	1,733
Operational					1,662	1,654	1,917
Percent					210	116	111
Total:							
Authorized					11,305	11,373	11,001
Operational					11,369	10,963	1,114
Percent					100.6	96.4	101

TABLE 14.—COMMUNICATIONS—ELECTRONICS OPERATIONS

CMF 31	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E–9:							
Authorized	64	48	47	39	73	85	90
Operational	81	81	70	71	74	78	81
Percent	127	169	149	182	101	92	90
E–8:							
Authorized	748	729	735	724	688	802	823
Operational	596	581	621	661	655	688	734
Percent	80	80	84	91	95	86	89
E–7:							
Authorized	1,597	1,749	1,839	1,829	2,302	2,404	2,422
Operational	1,664	1,780	1,811	1,853	2,463	2,439	2,557
Percent	104	102	98	101	107	102	106
E–6:							
Authorized	2,341	3,242	3,419	3,317	4,246	4,565	4,539
Operational	2,576	2,836	2,725	2,839	5,221	5,379	5,043
Percent	110	87	80	86	123	118	111
E–5:							
Authorized	6,509	5,352	5,397	5,273	9,503	9,558	9,448
Operational	4,216	4,018	4,050	3,987	9,705	9,567	9,982
Percent	65	75	75	76	102	100	106
E–4:							
Authorized	5,269	5,123	5,473	5,374	19,566	20,032	19,071
Operational	4,415	4,408	4,902	4,828	15,690	15,408	16,597
Percent	84	85	90	90	80	77	87
E 1–3:							
Authorized	2,196	2,047	2,193	2,145	13,989	14,324	15,095
Operational	3,368	4,795	5,076	5,094	16,930	16,623	17,062
Percent	153	234	231	237	121	116	113
Total:							
Authorized	18,724	18,290	19,103	18,701	50,367	51,770	51,488
Operational	16,916	18,499	19,255	19,333	50,738	50,182	52,056
Percent	90.3	101.1	100.8	103.4	100.7	96.9	101

TABLE 15.—FIXED PLANT COMMUNICATIONS EQUIPMENT MAINTENANCE

CMF 32	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E–9:							
Authorized	78	66	65	73			
Operational	65	69	69	54			
Percent	83	105	106	74			
E–8:							
Authorized	311	294	277	367			
Operational	248	256	221	252			
Percent	80	87	80	69			
E–7:							
Authorized	847	838	810	835			
Operational	778	787	745	756			
Percent	92	94	92	91			
E–6:							
Authorized	1,285	1,241	1,236	1,291			
Operational	1,099	1,237	1,154	1,090			
Percent	86	100	93	84			
E–5:							
Authorized	2,143	2,127	2,124	2,197			
Operational	1,277	1,287	1,408	1,335			
Percent	60	61	66	61			
E–4:							
Authorized	180	182	252	306			
Operational	1,093	1,033	1,021	1,056			
Percent	607	568	405	345			
E 1–3:							
Authorized	39	21	18	20			
Operational	441	527	722	537			
Percent							
Total:							
Authorized	4,910	4,769	4,782	5,089			
Operational	5,001	5,196	5,340	5,080			
Percent	101.9	109.0	111.7	99.8			

TABLE 16.—EW/INTERCEPT SYSTEMS MAINTENANCE

CMF 33	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	7	10	10	6	7	8	7
Operational	4	5	6	6	5	7	5
Percent	57	50	60	100	71	88	71
E-8:							
Authorized	36	37	34	28	30	34	31
Operational	26	34	23	15	17	24	28
Percent	72	92	68	54	57	71	90
E-7:							
Authorized	146	146	166	145	159	155	166
Operational	106	120	123	127	122	133	121
Percent	73	82	74	88	77	86	73
E-6:							
Authorized	509	455	353	306	287	263	282
Operational	209	186	182	147	216	213	189
Percent	41	41	52	48	75	81	67
E-5:							
Authorized	239	226	240	234	297	297	302
Operational	239	261	330	253	211	245	233
Percent	100	115	138	108	71	83	77
E-4:							
Authorized			51	173	218	220	230
Operational	245	257	289	214	287	200	122
Percent				124	132	91	53
E 1-3:							
Authorized							0
Operational	80	76	70	148	107	74	116
Percent							
Total:							
Authorized	937	874	854	892	998	977	1,018
Operational	909	939	1,023	910	965	896	814
Percent	97.0	107.4	119.8	102.0	96.7	91.7	80

TABLE 17.—ELECTRICAL ELECTRONIC DEVICES MAINTENANCE

CMF 35	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized			1	2			
Operational			1	8			
Percent			100	400			
E-8:							
Authorized	49	36	37	41			
Operational	52	45	32	55			
Percent	106	125	86	134			
E-7:							
Authorized	372	361	349	370			
Operational	330	362	377	462			
Percent	89	100	108	125			
E-6:							
Authorized	743	733	747	762			
Operational	760	726	732	725			
Percent	102	99	98	95			
E-5:							
Authorized	1,834	2,027	1,984	1,804			
Operational	1,283	1,327	1,412	1,241			
Percent	70	65	71	69			
E-4:							
Authorized	653	711	739	725			
Operational	1,052	916	865	984			
Percent	161	125	117	136			
E 1-3:							
Authorized				2			
Operational	599	451	702	533			
Percent							
Total:							
Authorized	3,651	3,868	3,857	3,706			
Operational	4,086	3,827	4,131	4,008			
Percent	111.9	98.9	107.1	108.1			

TABLE 18.—WIRE MAINTENANCE

CMF 36	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized							
Operational				2			
Percent							
E-8:							
Authorized	34	37	36	31			
Operational	39	38	33	32			
Percent	115	103	92	103			
E-7:							
Authorized	284	306	305	335			
Operational	330	367	350	315			
Percent	116	120	115	94			
E-6:							
Authorized	701	723	752	864			
Operational	838	898	709	865			
Percent	120	123	94	100			
E-5:							
Authorized	1,858	1,887	1,971	1,923			
Operational	1,974	2,201	2,103	2,036			
Percent	106	117	107	106			
E-4:							
Authorized	5,751	5,661	6,073	5,812			
Operational	5,975	5,520	5,715	6,863			
Percent	104	98	94	118			
E 1-3:							
Authorized	6,418	6,661	6,990	6,763			
Operational	5,740	6,371	7,944	6,313			
Percent	89	96	114	93			
Total:							
Authorized	15,051	15,275	16,127	15,728			
Operational	14,896	15,395	16,854	16,426			
Percent	99.0	100.8	104.5	104.4			

TABLE 19.—GENERAL ENGINEERING

CMF 51	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	29	20	24	23	27	31	31
Operational	31	31	22	24	27	30	30
Percent	107	155	92	104	100	97	97
E-8:							
Authorized	215	204	190	207	222	252	255
Operational	169	183	174	176	181	197	197
Percent	79	90	92	85	82	78	77
E-7:							
Authorized	750	717	760	746	750	852	823
Operational	794	791	767	654	819	761	765
Percent	106	110	101	88	109	89	93
E-6:							
Authorized	1,088	1,125	1,183	1,177	1,048	1,176	1,227
Operational	1,112	1,177	1,142	1,192	1,266	1,314	1,256
Percent	102	105	97	101	121	112	102
E-5:							
Authorized	4,203	4,267	4,034	4,073	3,830	3,286	2,987
Operational	2,703	3,437	3,318	2,710	2,643	2,681	2,773
Percent	64	81	82	67	69	82	93
E-4:							
Authorized	6,271	6,810	7,103	7,249	4,672	5,398	5,133
Operational	3,950	4,084	4,334	4,449	4,262	3,963	3,645
Percent	63	60	61	60	91	73	71
E 1-3:							
Authorized	672	694	656	733	2,588	2,990	3,326
Operational	3,622	5,233	5,557	4,980	4,162	3,871	4,682
Percent	539	754	847	679	161	129	141
Total:							
Authorized	13,238	13,837	13,950	14,388	13,137	13,985	13,782
Operational	12,381	14,936	15,341	14,185	13,360	12,817	13,348
Percent	93.5	107.9	109.8	98.6	101.7	91.6	97

TABLE 20.—POWER PRODUCTION AND DISTRIBUTION

CMF 52	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	8	8	6	6			
Operational	5	5	2	3			
Percent	63	63	33	50			
E-8:							
Authorized	16	17	18	20			
Operational	13	15	17	10			
Percent	81	88	94	50			
E-7:							
Authorized	79	76	88	66			
Operational	97	92	102	80			
Percent	123	121	116	121			
E-6:							
Authorized	416	468	507	485			
Operational	384	483	499	447			
Percent	92	103	98	92			
E-5:							
Authorized	1, 633	1, 731	1, 776	1, 861			
Operational	651	1, 040	1, 137	1, 163			
Percent	40	60	64	62			
E-4:							
Authorized	4, 956	5, 100	5, 529	5, 577			
Operational	2, 507	2, 369	2, 620	3, 225			
Percent	51	46	47	58			
E 1-3:							
Authorized	1, 270	1, 284	1, 407	1, 403			
Operational	2, 552	3, 296	3, 688	3, 991			
Percent	201	257	262	284			
Total:							
Authorized	8, 378	8, 684	9, 331	9, 418			
Operational	6, 229	7, 300	8, 065	8, 919			
Percent	74. 3	84. 1	86. 4	94. 7			

TABLE 21.—CHEMICAL

CMF 54	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	7	5	5	5	5	5	9
Operational	18	17	13	7	11	13	14
Percent	257	340	260	140	220	260	156
E-8:							
Authorized	68	62	56	61	66	72	78
Operational	64	65	66	58	60	66	79
Percent	94	102	118	95	91	92	101
E-7:							
Authorized	192	185	167	188	228	343	427
Operational	202	231	217	212	290	301	330
Percent	105	125	130	113	127	88	77
E-6:							
Authorized	506	471	475	790	715	778	875
Operational	367	311	296	284	403	762	850
Percent	73	66	62	36	56	98	97
E-5:							
Authorized	181	167	164	198	397	720	1, 240
Operational	146	170	155	169	327	491	690
Percent	81	102	95	85	82	68	56
E-4:							
Authorized	331	333	344	222	256	444	558
Operational	255	267	324	245	372	583	800
Percent	77	80	94	110	145	131	143
E 1-3:							
Authorized	111	186	125	221	347	601	858
Operational	302	402	410	289	624	977	1, 291
Percent	272	216	328	131	180	163	150
Total:							
Authorized	1, 396	1, 409	1, 326	1, 685	2, 014	2, 963	4, 045
Operational	1, 344	1, 463	1, 481	1, 264	2, 087	3, 193	4, 054
Percent	96. 3	103. 8	111. 7	75. 0	103. 6	107. 8	100

TABLE 22.—AMMUNITION

CMF 55	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	21	23	25	28	24	26	27
Operational	34	36	33	28	34	34	32
Percent	162	157	132	100	142	131	119
E-8:							
Authorized	222	214	196	196	185	197	199
Operational	161	182	156	158	134	134	128
Percent	76	85	80	81	72	68	64
E-7:							
Authorized	500	494	492	512	466	544	548
Operational	475	534	528	505	463	461	461
Percent	95	108	107	99	99	85	85
E-6:							
Authorized	693	567	627	608	527	625	625
Operational	718	699	690	602	511	538	547
Percent	104	123	110	99	97	86	88
E-5:							
Authorized	902	875	833	764	747	718	719
Operational	665	737	664	747	796	768	790
Percent	74	84	80	98	107	107	110
E-4:							
Authorized	1, 357	1, 363	1, 362	1, 256	1, 015	1, 032	1, 175
Operational	938	857	831	956	795	757	739
Percent	69	63	61	76	78	73	63
E 1-3:							
Authorized	655	578	626	578	576	586	460
Operational	812	1, 149	1, 152	1, 092	956	910	986
Percent	124	199	184	189	166	155	214
Total:							
Authorized	4, 350	4, 114	4, 161	3, 942	3, 540	3, 728	3, 753
Operational	3, 803	4, 194	4, 054	4, 088	3, 689	3, 602	3, 686
Percent	87. 4	101. 9	97. 4	103. 7	104. 2	96. 6	98

TABLE 23.—GENERAL DUTY

CMF 57	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	1	1					
Operational	0	2					
Percent	0	200					
E-8:							
Authorized	14	13	8				
Operational	15	10	13				
Percent	107	77	163				
E-7:							
Authorized	116	115	79				
Operational	124	113	78				
Percent	107	98	99				
E-6:							
Authorized	198	163	71				
Operational	255	218	110				
Percent	129	134	155				
E-5:							
Authorized	301	308	130				
Operational	315	346	181				
Percent	105	112	139				
E-4:							
Authorized	690	659	527				
Operational	293	447	367				
Percent	42	68	70				
E 1-3:							
Authorized	1, 417	478	483				
Operational	573	546	507				
Percent	40	114	105				
Total:							
Authorized	2, 743	1, 737	1, 298				
Operational	1, 575	1, 682	1, 256				
Percent	57. 4	96. 8	96. 8				

TABLE 24.—MECHANICAL MAINTENANCE

CMF 63	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	35	32	28	32	26	27	29
Operational	59	49	37	58	54	58	60
Percent	169	153	132	181	208	215	207
E-8:							
Authorized	784	816	831	876	861	884	952
Operational	556	556	513	589	650	703	713
Percent	71	68	62	67	75	80	75
E-7:							
Authorized	3, 121	3, 177	3, 111	3, 230	3, 114	3, 315	3, 604
Operational	2, 893	3, 088	3, 000	3, 090	3, 035	2, 909	2, 838
Percent	93	97	96	96	97	88	79
E-6:							
Authorized	3, 911	3, 655	4, 556	4, 486	4, 777	4, 980	4, 979
Operational	4, 655	4, 404	4, 667	4, 325	4, 133	4, 306	4, 610
Percent	119	120	102	96	87	87	93
E-5:							
Authorized	9, 306	9, 388	8, 517	8, 717	10, 622	11, 386	11, 376
Operational	8, 119	9, 382	7, 897	8, 524	11, 369	12, 006	12, 471
Percent	87	100	93	98	107	106	110
E-4:							
Authorized	22, 614	22, 833	19, 853	18, 215	22, 560	22, 664	21, 902
Operational	15, 370	16, 731	13, 716	12, 249	18, 913	19, 599	18, 096
Percent	68	73	69	67	84	87	83
E 1-3:							
Authorized	5, 622	5, 205	8, 796	10, 431	14, 686	14, 755	15, 345
Operational	16, 622	13, 893	13, 517	16, 657	18, 289	18, 953	19, 555
Percent	296	267	154	160	125	128	127
Total:							
Authorized	45, 393	45, 106	45, 692	45, 983	56, 646	58, 011	58, 187
Operational	48, 274	48, 103	43, 347	45, 492	56, 443	58. 534	58, 343
Percent	106. 8	106. 6	94. 9	98. 9	99. 6	100. 9	100

TABLE 25.—TRANSPORTATION

CMF 64	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized			35	36	37	39	39
Operational			38	51	50	52	46
Percent			109	142	135	133	118
E-8:							
Authorized			477	500	498	519	541
Operational			369	406	414	426	464
Percent			77	81	83	82	86
E-7:							
Authorized			1, 599	1, 558	1, 469	1, 594	1, 613
Operational			1, 621	1, 387	1, 485	1, 485	1, 502
Percent			101	88	101	93	93
E-6:							
Authorized			2, 338	2, 639	2, 591	3, 006	3, 041
Operational			2, 303	2, 364	2, 312	2, 713	2, 876
Percent			99	90	89	90	95
E-5:							
Authorized			5, 747	4, 923	4, 505	5, 521	4, 419
Operational			5, 561	5, 032	5, 192	5, 038	5, 303
Percent			97	102	115	111	120
E-4:							
Authorized			12, 557	11, 145	10, 918	11, 518	11, 501
Operational			6, 853	8, 386	8, 282	8, 154	8, 056
Percent			55	75	76	71	70
E 1-3:							
Authorized			3, 521	5, 244	5, 777	6, 094	6, 192
Operational			8, 972	8, 611	8, 930	8, 792	8, 822
Percent			255	164	155	144	142
Total:							
Authorized			26, 274	26, 045	25, 795	27, 291	27, 346
Operational			25, 717	26, 228	26, 665	26, 660	27, 064
Percent			97. 9	100. 7	103. 4	97. 7	99

TABLE 26.—RAILWAY MAINTENANCE

CMF 65	1974	1975	1976	1977	1978	1979	1980
	Fiscal year—						
E-9:							
Authorized	49	46					
Operational	63	65					
Percent	129	141					
E-8:							
Authorized	442	448					
Operational	332	358					
Percent	75	80					
E-7:							
Authorized	1,645	1,624					
Operational	1,653	1,708					
Percent	100	105					
E-6:							
Authorized	2,304	2,348					
Operational	2,528	2,633					
Percent	110	112					
E-5:							
Authorized	5,946	5,830					
Operational	5,338	5,985					
Percent	90	101					
E-4:							
Authorized	12,567	12,681					
Operational	8,986	7,969					
Percent	72	63					
E 1-3:							
Authorized	3,006	3,528					
Operational	7,388	7,355					
Percent	246	208					
Total:							
Authorized	25,959	26,505					
Operational	26,288	26,073					
Percent	101.3	98.4					

TABLE 27.—AVIATION MAINTENANCE

CMF 67	1974	1975	1976	1977	1978	1979	1980
	Fiscal year—						
E-9:							
Authorized	7	15	10	6	19	19	20
Operational	35	34	31	34	38	34	28
Percent	500	227	310	567	200	179	140
E-8:							
Authorized	344	340	337	306	316	321	318
Operational	256	278	291	309	341	297	271
Percent	74	82	86	101	108	93	85
E-7:							
Authorized	1,152	1,144	1,338	1,373	1,364	1,382	1,391
Operational	1,392	1,424	1,425	1,229	1,188	1,493	1,522
Percent	121	125	107	90	87	108	109
E-6:							
Authorized	2,009	2,034	2,229	2,159	2,391	2,277	2,382
Operational	2,632	2,710	2,492	2,240	2,338	2,416	2,521
Percent	131	133	118	104	98	106	106
E-5:							
Authorized	6,625	6,519	7,424	7,113	6,396	5,265	5,711
Operational	5,098	4,948	5,061	4,774	4,795	4,879	5,027
Percent	77	76	68	67	75	93	97
E-4:							
Authorized	3,512	3,520	4,346	4,318	3,665	3,962	3,956
Operational	2,760	2,613	3,912	4,334	4,420	4,860	5,376
Percent	77	74	90	100	121	123	136
E 1-3:							
Authorized	958	997	1,116	1,105	3,160	3,416	3,473
Operational	1,795	3,469	5,332	3,854	3,878	4,265	2,469
Percent	187	348	477	349	123	125	71
Total:							
Authorized	14,617	14,569	16,800	16,380	17,311	16,642	16,711
Operational	13,968	15,476	18,544	16,774	16,998	18,244	18,738
Percent	95.6	106.2	110.4	102.4	98.2	109.6	112

TABLE 28.—ADMINISTRATION

CMF 71	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	605	560	553	532	498	554	560
Operational	577	559	531	495	578	541	528
Percent	95	100	96	93	116	98	94
E-8:							
Authorized	1, 661	1, 611	1, 564	1, 328	1, 356	1, 509	1, 480
Operational	1, 526	1, 592	1, 550	1, 483	1, 399	1, 308	1, 465
Percent	92	99	99	112	103	87	99
E-7:							
Authorized	4, 637	4, 563	4, 424	4, 079	4, 589	4, 862	4, 943
Operational	3, 980	4, 160	4, 296	4, 334	5, 108	4, 907	5, 042
Percent	86	91	97	106	111	101	102
E-6:							
Authorized	5, 492	5, 777	5, 912	6, 001	5, 796	6, 210	6, 219
Operational	5, 619	6, 636	5, 802	5, 643	5, 942	5, 899	6, 501
Percent	102	115	98	94	103	95	105
E-5:							
Authorized	15, 100	14, 913	15, 477	15, 649	12, 520	12, 453	12, 342
Operational	10, 148	12, 696	12, 254	11, 481	12, 395	12, 614	12, 570
Percent	67	85	79	73	99	101	102
E-4:							
Authorized	21, 012	17, 312	17, 540	16, 416	13, 436	14, 994	14, 863
Operational	20, 534	17, 254	14, 803	12, 520	12, 358	12, 497	12, 358
Percent	98	100	84	76	92	83	83
E 1-3:							
Authorized	3, 679	3, 185	3, 217	3, 637	7, 017	4, 832	8, 043
Operational	15, 646	11, 994	10, 825	10, 635	8, 799	8, 900	7, 783
Percent	425	377	336	292	125	114	97
Total:							
Authorized	52, 185	47, 921	48, 687	47, 642	45, 212	48, 414	48, 450
Operational	58, 030	54, 891	50, 061	46, 591	36, 579	46, 666	46, 247
Percent	111. 2	114. 5	102. 8	97. 8	103. 0	96. 4	96

TABLE 29.—COMMUNICATIONS CENTER OPERATIONS

CMF 72	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	12	10	6	3			
Operational	4	4	8	2			
Percent	33	40	133	67			
E-8:							
Authorized	58	55	38	34			
Operational	110	84	56	19			
Percent	109	153	147	56			
E-7:							
Authorized	920	985	877	697			
Operational	995	899	944	653			
Percent	108	91	108	94			
E-6:							
Authorized	1, 430	1, 401	1, 375	1, 154			
Operational	1, 986	2, 212	1, 872	1, 373			
Percent	139	156	136	119			
E-5:							
Authorized	5, 027	4, 986	4, 970	4, 560			
Opertational	4, 077	4, 361	4, 357	3, 919			
Percent	81	87	88	86			
E-4:							
Authorized	12, 967	12, 508	12, 837	12, 355			
Operational	6, 859	7, 065	8, 565	7, 150			
Percent	53	56	67	58			
E 1-3:							
Authorized	2, 133	2, 379	2, 520	2, 501			
Operational	6, 469	7, 539	7, 036	6, 771			
Percent	303	317	279	271			
Total:							
Authorized	22, 547	22, 324	22, 623	21, 304			
Operational	20, 500	22, 164	22, 838	19, 887			
Percent	90. 9	99. 3	101. 0	93. 3			

TABLE 30.—AUTOMATIC DATA PROCESSING

CMF 74	Fiscal year						
	1974	1975	1976	1977	1987	1979	1980
E-9:							
Authorized	26	20	21	23	28	28	33
Operational	28	33	26	23	27	31	26
Percent	108	165	124	100	96	111	79
E-8:							
Authorized	183	162	158	162	141	140	145
Operational	146	164	159	150	141	163	159
Percent	80	103	101	93	100	116	110
E-7:							
Authorized	1,330	1,276	1,087	836	655	773	743
Operational	792	853	795	809	771	704	737
Percent	60	67	73	89	118	91	99
E-6:							
Authorized	1,485	1,362	1,237	1,051	896	1,031	1,003
Operational	1,321	1,367	1,094	1,022	912	906	956
Percent	89	100	88	97	102	88	95
E-5:							
Authorized	1,096	1,003	984	1,100	1,093	1,155	1,128
Operational	1,338	1,556	985	891	1,056	952	1,129
Percent	122	155	110	81	97	82	100
E-4:							
Authorized	1,021	1,029	925	956	893	658	622
Operational	1,725	1,677	1,385	587	440	420	555
Percent	169	163	150	61	49	64	89
E 1-3:							
Authorized	75	79	172	374	507	373	383
Operational	941	828	404	312	404	386	315
Percent	1,255	1,048	235	83	80	103	82
Total:							
Authorized	5,196	4,931	4,494	4,492	4,213	4,158	4,057
Operational	6,291	6,478	4,848	3,794	3,751	3,562	3,877
Percent	121.1	131.4	107.9	84.5	89.0	85.7	96

TABLE 31.—SUPPLY AND SERVICE

CMF 76	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	226	203	219	224	229	243	240
Operational	236	235	193	126	207	217	215
Percent	104	116	88	96	90	89	90
E-8:							
Authorized	1,078	1,021	1,052	1,096	10,80	1,149	1,164
Operational	852	884	889	905	902	947	1,024
Percent	79	87	85	83	84	82	88
E-7:							
Authorized	3,392	3,316	3,529	3,411	3,279	3,400	3,423
Operational	3,560	3,672	3,324	3,299	3,379	3,519	3,552
Percent	105	111	94	97	103	104	104
E-6:							
Authorized	6,813	6,726	6,969	5,488	5,941	6,112	6,109
Operational	6,499	6,609	6,381	6,090	5,554	5,433	5,499
Percent	95	98	92	94	93	89	90
E-5:							
Authorized	3,982	3,874	3,881	4,783	4,810	5,146	5,333
Operational	5,033	5,794	5,229	5,471	5,541	6,172	6,785
Percent	126	150	135	114	115	102	127
E-4:							
Authorized	15,156	17,713	17,810	18,857	17,766	18,762	18,613
Operational	9,693	11,210	12,994	12,481	13,662	13,962	14,714
Percent	64	63	73	66	77	75	79
E 1-3:							
Authorized	6,292	5,611	5,540	6,488	7,116	7,478	7,648
Operational	10,988	13,684	12,291	10,883	11,629	11,882	11,355
Percent	175	244	222	168	163	159	148
Total:							
Authorized	36,939	38,464	39,000	41,347	40,221	42,200	42,530
Operational	36,861	42,088	41,301	39,345	40,874	42,132	43,144
Percent	99.8	109.4	105.9	95.2	101.6	99.8	101

TABLE 32.—RECRUITMENT AND RETENTION

CMF 79	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized					105	113	115
Operational					112	126	112
Percent					107	112	97
E-8:							
Authorized					651	710	721
Operational					510	583	596
Percent					78	82	83
E-7:							
Authorized					3, 005	2, 936	3, 261
Operational					2, 908	2, 880	2, 986
Percent					97	98	92
E-6:							
Authorized					2, 782	2, 824	3, 088
Operational					2, 731	2, 885	3, 301
Percent					98	102	107
E-5:							
Authorized					565	589	586
Operational					573	781	985
Percent					101	133	168
E-4:							
Authorized							
Operational						5	
Percent							
E 1-3:							
Authorized							
Operational						1	
Percent							
Total:							
Authorized					7, 108	7, 172	7, 771
Operational					6, 844	7, 261	7, 983
Percent					96. 3	101. 2	103

TABLE 33.— TOPOGRAPHIC ENGINEERING

CMF 81	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	4	4	4	4	4	4	4
Operational	5	6	4	5	6	7	9
Percent	125	150	100	125	150	175	225
E-8:							
Authorized	25	22	21	24	27	25	27
Operational	27	23	23	23	19	23	24
Percent	108	105	110	96	70	92	89
E-7:							
Authorized	84	75	65	68	70	67	65
Operational	115	113	97	81	76	74	74
Percent	137	151	149	119	109	111	114
E-6:							
Authorized	214	198	185	130	125	131	184
Operational	211	209	183	153	153	176	182
Percent	97	106	99	118	122	134	99
E-5:							
Authorized	613	510	492	374	349	353	287
Operational	483	608	568	350	327	313	332
Percent	79	119	115	94	94	89	116
E-4:							
Authorized	1, 005	944	930	596	550	527	491
Operational	716	816	874	376	315	371	490
Percent	71	86	94	63	57	70	99
E 1-3:							
Authorized	204	165	157	80	84	104	232
Operational	794	760	493	188	302	346	314
Percent	389	461	314	235	360	333	135
Total:							
Authorized	2, 149	1, 918	1, 854	1, 276	1, 209	1, 211	1290
Operational	2, 351	2, 535	2, 242	1, 176	1, 198	1, 310	1425
Percent	109. 4	132. 2	120. 9	92. 2	99. 1	108. 2	111

TABLE 34.—PUBLIC AFFAIRS AND AUDIO-VISUAL

CMF 84	Fiscal year						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized				25	23	26	28
Operational				22	24	23	20
Percent				88	104	89	71
E-8:							
Authorized				72	69	77	74
Operational				62	51	48	59
Percent				86	74	62	80
E-7:							
Authorized				225	200	221	231
Operational				213	226	247	235
Percent				95	113	112	102
E-6:							
Authorized				378	325	367	345
Operational				405	361	444	470
Percent				107	111	121	136
E-5:							
Authorized				988	794	719	702
Operational				857	903	795	805
Percent				87	114	111	115
E-4:							
Authorized				1, 118	994	1, 145	1, 183
Operational				682	660	778	906
Percent				61	66	68	77
E 1-3:							
Authorized				59	315	354	391
Operational				400	460	551	558
Percent				678	146	156	143
Total:							
Authorized				2, 865	2, 720	2, 909	2, 954
Operational				2, 641	2, 685	2, 886	3, 053
Percent				92.2	98.7	99.2	103

TABLE 35.—MEDICAL

CMF 91	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	73	65	61	73	79	92	84
Operational	148	105	84	92	87	87	83
Percent	203	162	138	126	110	95	99
E-8:							
Authorized	680	660	634	612	637	671	630
Operational	628	656	627	641	707	667	679
Percent	92	99	99	105	111	99	108
E-7:							
Authorized	2, 814	2, 871	2, 758	2, 642	2, 805	2, 798	2, 583
Operational	2, 757	2, 919	2, 910	2, 803	3, 004	2, 770	2, 700
Percent	98	102	106	106	107	99	105
E-6:							
Authorized	4, 336	4, 600	4, 684	4, 578	5, 029	5, 093	4, 846
Operational	3, 949	4, 189	4, 236	4, 384	4, 245	4, 732	4, 888
Percent	91	91	90	96	84	93	101
E-5:							
Authorized	11, 282	12, 108	12, 694	8, 813	8, 054	8, 311	7, 931
Operational	7, 029	8, 728	8, 894	9, 152	9, 225	8, 779	8, 875
Percent	62	72	70	104	115	106	112
E-4:							
Authorized	8, 876	9, 110	8, 985	10, 480	11, 456	11, 709	11, 053
Operational	10, 442	9, 597	7, 329	7, 878	10, 180	10, 273	9, 961
Percent	118	105	82	75	89	88	90
E 1-3:							
Authorized	3, 407	3, 466	3, 639	6, 439	7, 962	7, 999	7, 480
Operational	8, 626	6, 273	6, 903	8, 246	8, 330	8, 344	8, 738
Percent	253	180	190	128	105	104	117
Total:							
Authorized	31, 468	32, 880	33, 455	33, 637	36, 022	36, 673	34, 607
Operational	33, 579	32, 467	30, 981	33, 196	35, 778	35, 652	35, 879
Percent	106.7	98.7	92.6	98.7	99.3	97.2	104

TABLE 36.—PETROLEUM

CFM 92	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	4	2	2	3	3	3	3
Operational	8	7	4	4	9	10	8
Percent	200	350	200	133	300	333	268
E-8:							
Authorized	20	27	32	38	40	42	41
Operational	31	27	25	32	28	30	38
Percent	155	100	78	84	70	71	93
E-7:							
Authorized	156	165	166	158	169	161	176
Operational	156	141	151	158	163	160	149
Percent	100	85	91	100	96	99	85
E-6:							
Authorized	202	174	158	182	204	214	234
Operational	212	206	172	173	183	239	252
Percent	105	118	109	95	90	112	108
E-5:							
Authorized	284	268	258	409	466	507	529
Operational	331	369	308	422	486	608	694
Percent	117	138	119	103	104	120	131
E-4:							
Authorized	1, 434	1, 363	1, 424	1, 265	1, 123	1, 297	1, 278
Operational	616	592	813	823	1, 172	1, 309	1, 299
Percent	43	43	57	65	104	101	102
E 1-3:							
Authorized			245	879	1, 079	1, 226	1, 231
Operational	598	740	1, 011	1, 118	1, 173	1, 319	1, 458
Percent			413	127	109	108	118
Total:							
Authorized	2, 100	1, 999	2, 285	2, 934	3, 084	3, 450	3, 492
Operational	1, 952	2, 082	2, 484	2, 730	3, 214	3, 675	3, 898
Percent	93. 0	104. 2	108. 7	93. 0	104. 2	106. 5	112

TABLE 37.—FOOD SERVICE

CMF 94	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	18	18	13	34	57	65	67
Operational	12	17	22	27	49	57	57
Percent	67	94	169	79	86	88	85
E-8:							
Authorized	162	176	180	217	202	237	239
Operational	204	286	249	361	386	440	423
Percent	126	163	138	166	191	186	177
E-7:							
Authorized	3, 974	4, 007	3, 981	3, 373	2, 673	2, 685	2, 637
Operational	2, 641	2, 727	2, 685	2, 710	2, 806	2, 734	2, 667
Percent	66	68	67	80	105	102	101
E-6:							
Authorized	4, 170	4, 024	3, 957	3, 659	3, 267	3, 334	3, 251
Operational	3, 763	3, 875	3, 903	3, 584	2, 924	2, 581	3, 225
Percent	90	96	99	98	90	77	99
E-5:							
Authorized	7, 200	7, 351	7, 493	5, 626	3, 938	3, 753	3, 655
Operational	3, 843	3, 707	4, 058	4, 501	4, 879	4, 623	4, 101
Percent	53	50	54	80	124	123	112
E-4:							
Authorized	5, 574	5, 597	5, 864	6, 403	5, 895	6, 372	6, 341
Operational	5, 544	4, 824	4, 195	5, 120	5, 939	5, 084	3, 557
Percent	99	86	72	80	101	80	56
E 1-3:							
Authorized	1, 278	961	612	2, 130	4, 097	4, 399	4, 416
Operational	5, 747	4, 469	5, 842	7, 342	5, 272	4, 586	5, 467
Percent	450	465	955	345	129	104	124
Total:							
Authorized	22, 376	22, 134	22, 100	21, 442	20, 129	20, 845	20, 606
Operational	21, 754	19, 905	20, 954	23, 645	22, 251	20, 105	19, 492
Percent	97. 2	89. 9	94. 8	110. 3	110. 5	96. 4	95

TABLE 38.—LAW ENFORCEMENT

CMF 95	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	73	67	63	68	62	69	68
Operational	62	79	65	63	66	68	70
Percent	85	118	103	93	106	99	103
E-8:							
Authorized	361	369	440	410	325	360	370
Operational	315	312	324	327	325	327	322
Percent	87	85	74	80	100	91	87
E-7:							
Authorized	1,247	1,276	1,224	1,356	1,059	1,198	1,222
Operational	1,219	1,402	1,477	1,183	1,178	1,175	1,171
Percent	98	110	121	87	111	98	96
E-6:							
Authorized	2,529	2,651	2,568	2,749	2,262	2,649	2,706
Operational	2,474	2,805	2,909	2,508	2,237	2,458	2,424
Percent	98	106	113	91	99	93	90
E-5:							
Authorized	3,566	3,811	3,627	3,670	3,444	3,538	3,510
Operational	3,120	3,881	4,043	3,786	3,670	3,701	3,991
Percent	87	102	111	103	107	105	114
E-4:							
Authorized	9,098	9,181	8,698	8,881	8,512	8,451	8,300
Operational	8,042	7,838	8,390	8,662	7,622	7,737	7,853
Percent	88	85	96	98	90	92	95
E 1-3:							
Authorized	7,365	7,268	7,199	7,286	8,178	8,041	7,954
Operational	6,935	7,868	7,487	7,940	8,848	9,221	8,394
Percent	94	108	104	109	108	115	106
Total:							
Authorized	24,239	24,623	23,819	24,960	23,842	24,306	24,130
Operational	22,167	24,185	24,695	24,469	24,046	24,687	24,225
Percent	91.5	98.2	103.7	98.0	100.9	101.6	100

TABLE 39.—MILITARY INTELLIGENCE

CMF 96	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	82	69	73	82	62	66	67
Operational	81	85	79	69	62	67	68
Percent	99	123	108	84	100	102	102
E-8:							
Authorized	296	301	312	352	324	388	407
Operational	251	278	280	273	281	310	334
Percent	85	92	90	78	87	80	82
E-7:							
Authorized	924	872	908	818	836	956	1,018
Operational	974	853	754	743	775	738	681
Percent	95	98	83	91	93	77	67
E-6:							
Authorized	1,015	975	993	1,236	1,232	1,401	1,399
Operational	875	871	866	1,065	1,030	998	955
Percent	86	89	87	86	84	71	68
E-5:							
Authorized	1,396	1,333	1,249	1,089	1,558	1,409	1,416
Operational	1,011	752	679	932	1,171	1,148	1,192
Percent	72	56	54	47	75	82	84
E-4:							
Authorized	250	295	251	1,346	981	996	995
Operational	659	449	345	1,251	1,938	1,493	1,283
Percent	263	152	137	93	198	150	129
E 1-3:							
Authorized	17	49	16	112	712	716	730
Operational	269	185	387	1,694	999	760	607
Percent		378			140	106	83
Total:							
Authorized	3,980	3,894	3,802	5,935	5,735	5,932	6,032
Operational	4,020	3,473	3,390	6,027	6,256	5,514	5,120
Percent	101.0	89.2	89.2	101.6	109.1	93.0	85

TABLE 40.—BAND

CMF 97	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	30	32	37	33	39	34	33
Operational	24	30	40	36	33	38	41
Percent	80	94	108	109	85	112	124
E-8:							
Authorized	147	159	173	169	167	167	166
Operational	89	93	125	126	123	141	142
Percent	61	58	72	75	74	84	86
E-7:							
Authorized	156	275	304	343	339	332	342
Operational	177	238	295	295	292	330	354
Percent	113	87	97	86	86	99	104
E-6:							
Authorized	469	537	584	741	790	777	793
Operational	535	536	496	514	558	606	591
Percent	114	100	85	69	71	78	75
E-5:							
Authorized	317	486	56	577	553	557	556
Operational	474	610	946	1, 056	833	557	536
Percent	150	126	166	183	151	100	96
E-4:							
Authorized	518	609	604	547	555	558	564
Operational	658	573	473	392	390	466	512
Percent	127	94	78	72	70	84	91
E 1-3:							
Authorized	949	456	386	174	76	73	62
Operational	331	313	373	136	80	93	87
Percent	36	69	97	78	105	127	140
Total:							
Authorized	2, 686	2, 554	2, 663	2, 584	2, 519	2, 498	2, 516
Operational	2, 288	2, 393	2, 748	2, 552	2, 309	2, 231	2, 263
Percent	85. 2	93. 7	103. 2	98. 8	91. 7	89. 3	90

TABLE 41.—EW/CRYPTOLOGIC OPERATIONS

CMF 98	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E-9:							
Authorized	31	36	33	31	41	41	41
Operational	32	27	40	30	30	30	29
Percent	103	75	121	97	73	73	71
E-8:							
Authorized	233	201	235	225	232	231	239
Operational	141	168	161	187	171	175	181
Percent	61	84	69	83	74	76	76
E-7:							
Authorized	671	589	635	626	682	730	764
Operational	569	602	570	547	591	629	649
Percent	85	102	90	87	87	86	85
E-6:							
Authorized	1, 604	1, 446	1, 571	1, 734	1, 658	1, 613	1, 580
Operational	934	1, 145	1, 058	1, 037	1, 152	1, 241	1, 202
Percent	58	79	67	60	69	77	76
E-5:							
Authorized	2, 301	1, 909	1, 933	1, 885	2, 151	2, 120	2, 167
Operational	1, 756	1, 927	1, 672	1, 626	1, 699	1, 503	1, 560
Percent	76	101	86	86	79	71	72
E-4:							
Authorized	3, 048	2, 512	2, 440	2, 126	2, 180	2, 199	2, 248
Operational	2, 578	2, 838	2, 545	2, 227	1, 620	1, 571	1, 756
Percent	85	113	104	105	74	71	78
E 1-3:							
Authorized	59	42	48	50	772	730	1, 217
Operational	1, 285	943	1, 281	1, 049	1, 126	1, 099	661
Percent					155	150	184
Total:							
Authorized	7, 947	6, 735	6, 875	6, 677	7, 671	7, 664	7, 700
Operational	7, 295	7, 650	7, 327	6, 703	6, 389	6, 248	6, 594
Percent	91. 8	113. 6	106. 3	100. 4	83. 3	81. 5	86

TABLE 42.—SPECIAL ASSIGNMENT (NEC)

CMF 00	Fiscal year— 1974	1975	1976	1977	1978	1979	1980
E–9:							
Authorized		1,317		1,307			
Operational		1,062		1,281			
Percent		81		98			
E–8:							
Authorized		768		784			
Operational		782		661			
Percent		102		84			
E–7:							
Authorized		5,470		4,913			
Operational		3,900		3,696			
Percent		71		75			
E–6:							
Authorized		2,927		3,020			
Operational		3,101		2,059			
Percent		106		101			
E–5:							
Authorized		874		543			
Operational		1,207		1,263			
Percent		138		233			
E–4:							
Authorized		986		583			
Operational		947		349			
Percent		96		60			
E 1–3:							
Authorized		305		51			
Operational		596		253			
Percent		195		496			
Total:							
Authorized		12,647		11,201			
Operational		11,595		10,552			
Percent		91.7		94.2			

TABLE 43.—SELECTIVE REENLISTMENT BONUS PROGRAM (FISCAL YEARS 1974–80)

	Career management field	Fiscal year 1974 (millions)	Fiscal year 1975					
			Zone A			Zone B		
			Eligible	Paid	Amount (millions)	Eligible	Paid	Amount (millions)
11	Infantry		12,223	5,909	$48.2	0	0	$0
12	Combat engineer		531	81	.75	0	0	0
13	Field artillery		8,954	1,494	11.6	0	0	0
16	Air defense artillery		1,566	170	1.6	0	0	0
19	Armor		1,862	368	2.7	0	0	0
23	Air def msl maint		979	252	2.5	0	0	0
27	Bal/LC msl and LAD wpns syst maint		418	62	.7	14	4	.02
28	AVN comm-elec		442	95	1.0	0	0	0
29	Comm-elec maint		2,061	395	3.9	0	0	0
31	Comm-elec ops		3,094	675	4.2	0	0	0
33	EW/INTCP sys maint		200	34	.35	0	0	0
51	Gen engr		869	247	2.1	12	5	.02
54	Chemical		104	9	.08	8	5	.20
55	Ammunition		385	51	.5	0	0	0
63	Mech maint		1,414	512	4.9	0	0	0
64	Transportation		348	65	.45	0	0	0
67	Avn maint		189	32	.35	0	0	0
71	Administration		7,456	1,957	14.7	0	0	0
74	Auto data proc		0	0	0	45	8	.04
76	Supply and service		0	0	0	0	0	0
79	Recruit and reenl		0	0	0	0	0	0
81	Topographic engr		196	38	.3	0	0	0
84	Pub aff and audiovis		143	24	.21	0	0	0
91	Medical		7,150	2,340	18.8	80	32	.1
92	Petroleum		0	0	0	0	0	0
94	Food service		47	13	7.6	0	0	0
95	Law enforcement		1,098	123	1.7	0	0	0
96	Military intell		1,420	212	2.2	18	6	.02
97	Band		87	12	.07	0	0	0
98	EW/CRYPT oper		637	149	1.4	20	3	.01
	Total	$5.7	53,873	15,319	132.9	197	63	.2

TABLE 43.—SELECTIVE REENLISTMENT BONUS PROGRAM (FISCAL YEARS 1974–80)—Continued

		Fiscal year 1976					
		Zone A			Zone B		
		Eligible	Paid	Amount (millions)	Eligible	Paid	Amount (millions)
11	Infantry	6,923	1,882	8.4	0	0	0
12	Combat engineer	334	54	.5	20	6	.02
13	Field artillery	1,493	255	1.7	0	0	0
16	Air defense artillery	1,588	380	2.5	0	0	0
19	Armor	2,398	762	3.4	0	0	0
23	Air def msl maint	751	142	1.2	0	0	0
27	Bal/LC msl and LAD wpns syst maint	278	82	.7	29	12	.03
28	AVN comm-elec	276	73	.5	0	0	0
29	Comm-elec maint	953	243	1.5	25	4	.02
31	Comm-elec ops	1,949	525	2.4	0	0	0
33	EW/INTCP sys maint	36	15	.1	18	4	.02
51	Gen engr	720	117	.6	4	1	.01
54	Chemical	67	18	.1	24	10	.03
55	Ammunition	160	30	.32	0	0	0
63	Mech maint	1,956	459	2.2	58	28	.07
64	Transportation	257	61	.4	30	12	.06
67	Avn maint	171	50	.4	0	0	0
71	Administration	2,524	642	3.8	83	20	.05
74	Auto data proc	0	0	0	30	6	.04
76	Supply and service	0	0	0	0	0	0
79	Recruit and reenl	0	0	0	0	0	0
81	Topographic engr	50	9	.08	1	1	.01
84	Pub aff and audiovis	0	0	0	0	0	0
91	Medical	6,789	1,417	7.7	350	94	.23
92	Petroleum	54	13	.06	0	0	0
94	Food service	2,532	926	4.2	0	0	0
95	Law enforcement	373	136	.94	0	0	0
96	Military intell	808	178	1.41	82	27	.09
97	Band	0	0	0	0	0	0
98	EW/CRYPT oper	452	56	.4	51	12	.06
	Total	33,892	8,525	45.5	805	237	.7
		Fiscal year 1976T					
11	Infantry	3,013	528	2.4	0	0	0
12	Combat engineer	198	24	.14	0	0	0
13	Field artillery	448	79	.5	39	20	.05
16	Air defense artillery	484	131	.81	0	0	0
19	Armor	893	165	.7	0	0	0
23	Air def msl maint	147	34	.2	0	0	0
27	Bal/LC msl and LAD wpns syst maint	85	21	.2	4	2	.01
28	AVN comm-elec	35	8	.06	0	0	0
29	Comm-elec maint	149	56	.33	0	0	0
31	Comm-elec ops	1,065	240	1.1	0	0	0
33	EW/INTCP sys maint	0	0	0	0	0	0
51	Gen engr	119	15	.07	0	0	0
54	Chemical	17	5	.03	3	2	.01
55	Ammunition	34	10	.09	5	2	.01
63	Mech maint	385	176	.9	11	6	.04
64	Transportation	52	10	.07	14	8	.02
67	Avn maint	74	16	.1	0	0	0
71	Administration	0	0	0	1	0	0
74	Auto data proc	0	0	0	0	0	0
76	Supply and service	0	0	0	0	0	0
79	Recruit and reenl	0	0	0	0	0	0
81	Topographic engr	3	0	0	0	0	0
84	Pub aff and audiovis	0	0	0	0	0	0
91	Medical	1,241	242	1.4	94	43	.1
92	Petroleum	8	2	.01	0	0	0
94	Food service	948	173	.8	0	0	0
95	Law enforcement	199	45	.3	0	0	0
96	Military intell	179	54	.5	0	0	0
97	Band	0	0	0	0	0	0
98	EW/CRYPT oper	85	10	.07	21	9	.05
	Total	10,311	2,044	10.8	192	92	.3

TABLE 43.—SELECTIVE REENLISTMENT BONUS PROGRAM (FISCAL YEARS 1974–80)—Continued

		Fiscal year 1977					
		Zone A			Zone B		
		Eligible	Paid	Amount (millions)	Eligible	Paid	Amount (millions)
11	Infantry	11,459	2,739	11.5	0	0	0
12	Combat engineer	1,554	438	2.1	0	0	0
13	Field artillery	1,572	483	3.1	166	76	.2
16	Air defense artillery	1,410	549	3.6	3	3	.01
19	Armor	3,912	1,036	4.8	0	0	0
23	Air def msl maint	322	66	.7	10	7	.02
27	Bal/LC msl and LAD wpns syst maint	326	100	.9	35	17	.06
28	AVN Comm-elec	105	23	.1	0	0	0
29	Comm-elec maint	489	182	1.0	0	0	0
31	Comm-elec ops	3,662	1,145	5.8	47	14	.04
33	EW/INTCP sys maint	0	0	0	0	0	0
51	Gen engr	434	93	.45	0	0	0
54	Chemical	150	56	.4	21	9	.03
55	Ammunition	111	23	.2	20	5	.02
63	Mech maint	3,821	1,002	4.7	228	79	.2
64	Transportation	169	56	.5	42	23	.07
67	Avn maint	486	172	1.0	2	1	.01
71	Administration	0	0	0	6	3	.01
74	Auto data proc	0	0	0	0	0	0
76	Supply and service	0	0	0	0	0	0
79	Recruit and reenl	0	0	0	0	0	0
81	Topographic engr	11	3	.02	0	0	0
84	Pub aff and audiovis	0	0	0	0	0	0
91	Medical	3,624	1,395	8.4	441	218	.6
92	Petroleum	29	9	.05	0	0	0
94	Food service	2,026	984	4.6	0	0	0
95	Law enforcement	258	90	.65	0	0	0
96	Military intell	653	248	2.3	14	3	.01
97	Band	0	0	0	0	0	0
98	EW/CRYPT oper	415	111	.8	82	48	.3
	Total	36,998	11,003	57.7	1,117	507	1.6
		Fiscal year 1978					
11	Infantry	11,085	3,652	9.2	0	0	0
12	Combat engineer	2,782	964	5.0	0	0	0
13	Field artillery	2,057	707	3.7	299	210	.62
16	Air defense artillery	2,484	1,109	6.5	17	15	.15
19	Armor	3,494	959	4.7	309	99	.3
23	Air def msl maint	423	148	.9	55	27	.08
27	Bal/LC msl and LAD wpns syst maint	341	150	1.25	76	57	.2
28	AVN comm-elec	81	17	.04	0	0	0
29	Comm-elec maint	226	75	.32	0	0	0
31	Comm-elec ops	4,959	1,657	5.9	25	16	.05
33	EW/INTCP sys maint	0	0	0	0	0	0
51	Gen engr	531	94	.5	0	0	0
54	Chemical	163	64	.5	54	42	.13
55	Ammunition	112	41	.3	111	75	.4
63	Mech maint	4,211	1,301	4.7	395	273	.8
64	Transportation	300	61	.3	47	23	.07
67	Avn maint	1,489	572	1.6	0	0	0
71	Administration	7	3	.02	15	7	.04
74	Auto data proc	107	15	.08	92	31	.18
76	Supply and service	0	0	0	0	0	0
79	Recruit and reenl	0	0	0	0	0	0
81	Topographic engr	38	3	.02	0	0	0
84	Pub aff and audiovis	0	0	0	0	0	0
91	Medical	4,230	1,232	7.3	1,088	583	1.8
92	Petroleum	29	13	.03	0	0	0
94	Food service	2,932	1,627	4.12	0	0	0
95	Law enforcement	0	0	0	0	0	0
96	Military intell	827	317	3.04	11	3	.01
97	Band	0	0	0	0	0	0
98	EW/CRYPT oper	762	106	.8	95	32	.2
	Total	43,670	14,887	60.9	2,689	1,493	4.9

TABLE 43.—SELECTIVE REENLISTMENT BONUS PROGRAM (FISCAL YEARS 1974–80)—Continued

		Fiscal year 1979					
		Zone A			Zone B		
		Eligible	Paid	Amount (millions)	Eligible	Paid	Amount (millions)
11	Infantry	15,892	3,050	8.7	0	0	0
12	Combat engineer	3,353	634	2.8	0	0	0
13	Field artillery	2,993	757	3.0	273	105	.3
16	Air defense artillery	2,208	712	4.1	75	31	.1
19	Armor	5,240	1,265	3.4	0	0	0
23	Air def msl maint	503	192	1.4	21	7	.02
27	Bal/LC msl and LAD wpns syst maint	441	151	1.0	36	10	.06
28	AVN comm-elec	26	7	.02	0	0	0
29	Comm-elec maint	92	31	.3	50	13	.04
31	Comm-elec ops	4,514	1,528	4.9	0	0	0
33	EW/INTCP sys maint	122	27	.1	70	20	.1
51	Gen engr	765	297	1.5	119	30	.1
54	Chemical	219	129	1.0	136	65	.4
55	Ammunition	143	81	.5	94	33	.2
63	Mech maint	6,275	2,268	7.3	412	146	.5
64	Transportation	170	39	.11	65	19	.06
67	Avn maint	2,034	593	1.7	0	0	0
71	Administration	10	6	.03	12	4	.02
74	Auto data proc	39	13	.07	0	0	0
76	Supply and service	159	53	.1	0	0	0
79	Recruit and reenl	0	0	0	0	0	0
81	Topographic engr	41	3	.02	0	0	0
84	Pub aff and audiovis	0	0	0	0	0	0
91	Medical	4,839	1,284	6.15	1,273	466	1.5
92	Petroleum	55	12	.03	0	0	0
94	Food service	109	24	.07	0	0	0
95	Law enforcement	0	0	0	0	0	0
96	Military intell	986	337	2.55	3	1	.01
97	Band	0	0	0	0	0	0
98	EW/CRYPT oper	987	317	2.6	353	132	.6
	Total	52,215	13,810	53.5	2,992	1,082	4.0
		Fiscal year 1980					
11	Infantry	10,465	3,175	10.0	0	0	0
12	Combat engineer	2,089	626	2.2	0	0	0
13	Field artillery	1,651	665	3.3	263	122	.5
16	Air defense artillery	1,016	422	1.3	89	45	.2
19	Armor	3,485	1,071	3.3	0	0	0
23	Air def msl maint	495	208	1.4	68	37	.1
27	Bal/LC msl and LAD wpns syst maint	550	188	1.0	51	30	.1
28	AVN comm-elec	30	6	.02	0	0	0
29	Comm-elec-maint	207	73	.4	39	9	.03
31	Comm-ele-cops	1,594	731	2.3	0	0	0
33	EW/INTCP sys maint	166	43	.3	64	25	.2
51	Gen engr	1,077	404	2.4	84	42	.2
54	Chemical	417	262	2.4	189	123	.9
55	Ammunition	174	83	.5	118	60	.4
63	Mech maint	7,439	2,759	9.0	962	133	.5
64	Transportation	253	82	.3	59	28	.1
67	Avn maint	2,440	1,043	3.2	0	0	0
71	Administration	9	7	.04	15	5	.04
74	Auto data proc	66	24	.1	73	1	.01
76	Supply and service	151	67	.2	0	0	0
79	Recruit and reenl	0	0	0	0	0	0
81	Topographic engr	20	4	.03	0	0	0
84	Pub aff and audiovis	0	0	0	0	0	0
91	Medical	3,670	1,531	7.8	578	311	1.4
92	Petroleum	25	3	.01	0	0	0
94	Food service	59	29	.1	0	0	0
95	Law enforcement	0	0	0	0	0	0
96	Military intell	387	155	.9	10	6	.02
97	Band	0	0	0	0	0	0
98	EW/CRYPT oper	1,103	484	4.8	399	245	1.7
	Total	39,038	14,145	57.1	3,061	1,222	6.4

NAVY

General TICE. The information you have requested is provided where available in the format desired in the following tables. Table I provides the first term (Zone "A") Selective Reenlistment Bonus award levels by skill areas. Table II provides second term (Zone "B") data. Table III provides use of bonus moneys by skill area and actual number of persons who received the bonus in each zone within the specific skill for fiscal year 1979 and fiscal year 1980. Data by pay grade and numbers of persons eligible who did not accept the bonus are not provided since they are not routinely tabulated. Reenlistment Bonus Data is not provided for fiscal year 1972 or fiscal year 1973 because the bonus program in effect at that time differed significantly from the current selective reenlistment bonus (SRB) program. Some Representative bonus computations are contained in Table IV. Table V provides data on shortages within skill areas by pay grade for fiscal year 1978 through fiscal year 1980.

RETENTION AND REENLISTMENT

TABLE I.—SELECTIVE REENLISTMENT BONUS

[First term (zone "A") award levels]

Skill area	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
Deck:							
BM	2	2	0—0	2—2	0—0	0—0	0—0
MA	0	0	0—0	0—0	0—0	0—0	0—0
QM	4	4	3—2	2—2	2—0	0—0	0—0
SM	4	4	5—5	5—5	5—5	3—3	2—2
OS	5	5	5—5	5—4	4—4	2—2	1—1
EW	5	4	5—5	5—5	4—4	2—2	1—1
STG	5	4	3—3	4—4	5—5	4—4	4—4
STS	5	4	4—4	5—5	6—6	5—5	4—4
OT	5	2	3—3	4—3	3—3	1—1	1—0
Ordnance:							
TM	5	5	5—5	5—5	5—5	3—3	2—2
GMG	0	3	3—2	3—3	2—0	0—0	0—0
GMM	2	2	2—5	5—6	6—6	4—4	3—3
GMT	5	5	5—5	5—5	6—6	4—4	3—3
FTG	4	3	2—3	4—4	4—4	2—2	1—1
FTM	3	3	3—5	5—6	6—6	6—5	5—5
FTB	3	0	0—6	6—6	6—6	5—5	5—5
MT	0	0	0—6	6—6	6—6	5—5	5—5
MN	4	4	3—2	0—0	0—0	0—0	0—0
Electronics:							
ET	3	2	0—2	3—3	4—5	4—4	6—6
ETN	3	1	0—2	3—3	4—5		
ETR	3	1	0—2	3—3	4—5		
DS	3	2	2—3	3—4	6—6	6—6	6—6
Precision instruments:							
PI	0	0	0—0	0—0	0—0	0—0	0—0
IM	5	5	3—2	0—0	0—0	0—0	0—1
OM	4	4	4—3	3—2	2—2	0—0	0—0
Admin/ clerical:							
NC	0	0	0—0	0—0	0—0	0—0	0—0
RM	5	2	1—0	0—0	0—0	0—0	0—0
CTT	3	1	0—0	2—2	2—1	1—1	1—1
CTA	3	1	0—0	2—0	0—0	0—0	0—0
CTM	0	2	2—2	3—4	5—4	4—4	4—4
CTO	5	4	3—3	3—2	0—0	0—0	0—0
CTR	0	0	2—2	2—2	2—0	0—0	0—0
YN	2	2	0—0	0—0	0—0	0—0	0—0
Intel: IS	0	0	0—0	0—0	0—0	0—0	0—1
Admin/clerical:							
LN	2	2	2—2	0—0	0—0	0—0	0—2
CTI	3	1	0—2	2—3	3—3	2—2	2—2
PN	2	2	0—0	0—0	0—0	0—0	1—1
DP	3	1	0—0	0—0	0—0	1—1	1—1
SK	0	2	0—0	0—0	0—0	0—0	0—0
DK	0	1	0—0	0—0	0—0	0—0	0—0
MS				0—2	3—3	2—2	3—3
SH	0	2	0—0	0—0	0—0	0—0	0—0
JO	4	4	0—0	0—0	0—0	0—0	1—0
PC	0	1	0—0	0—0	0—0	0—0	0—0
Miscellaneous:							
LI	0	0	0—0	0—0	0—0	0—0	0—0
DM	3	0	0—0	0—0	0—0	0—0	0—0
MU	3	0	0—0	0—0	0—0	0—0	0—0

TABLE I.—SELECTIVE REENLISTMENT BONUS—Continued

[First term (zone "A") award levels]

Skill area	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
Engineering/hull:							
MM	5	5	5—4	4—5	5—5	4—4	4—4
EN	4	3	0—2	2—2	0—0	0—0	0—0
MR	4	4	2—3	3—3	2—0	0—0	0—0
BT	5	5	5—5	5—6	6—6	6—5	5—4
EM	4	4	4—3	3—3	2—2	0—0	1—1
IC	5	5	4—3	3—3	2—2	2—2	2—2
HT	5	5	5—4	4—4	3—3	2—2	1—1
GSM	----------	----------	----------	----------	----------	4—4	6—6
GSE	----------	----------	----------	----------	----------	4—4	6—6
PM	4	0	0—0	0—0	0—0	0—0	0—0
ML	3	3	3—0	0—0	0—0	0—0	0—0
Contruction:							
CU	0	0	0—0	0—0	0—0	0—0	0—0
EA	5	5	0—0	0—0	0—0	0—0	1—1
CE	4	4	0—0	0—0	0—0	0—0	2—2
EQ	0	0	0—0	0—0	0—0	0—0	0—0
EO	0	1	0—0	0—0	0—0	0—0	2—2
CM	0	1	0—0	0—0	0—0	0—0	0—0
BU	4	4	0—0	0—0	0—0	0—0	2—2
SW	3	2	0—0	0—0	0—0	0—0	1—1
UT	4	3	0—0	0—0	0—0	0—0	1—1
Aviation:							
AT	4	4	3—2	2—3	4—4	3—3	3—3
AX	0	0	0—0	0—0	0—0	0—0	0—0
AW	5	5	5—5	3—3	2—3	4—4	4—4
AO	3	3	3—2	2—2	0—0	0—0	0—0
AQ	5	4	2—0	0—0	0—0	1—3	5—5
AC	5	3	2—2	2—3	4—4	5—5	5—5
ABE	4	4	3—0	2—4	4—4	2—2	1—1
ABF	2	3	2—2	2—2	0—0	0—0	0—0
ABH	0	2	0—0	0—0	0—0	0—0	0—0
AE	4	4	2—2	0—0	0—0	0—0	0—0
AMS	0	2	0—0	0—0	0—0	0—0	0—0
AMH	3	2	0—0	0—0	0—0	0—0	0—0
AME	0	2	2—2	0—0	0—0	0—0	0—0
PR	0	1	2—3	3—3	2—2	0—0	0—0
AG	4	3	3—3	3—3	2—2	1—1	1—0
TD	3	1	0—2	3—4	4—2	0—0	0—1
AK	0	0	0—0	0—0	0—0	0—0	0—0
AZ	0	0	0—0	0—0	0—0	0—0	0—0
ASE	3	0	0—0	0—0	0—0	0—0	0—0
ASH	0	0	0—0	0—0	0—0	0—0	0—0
ASM	3	0	0—0	0—0	0—0	0—0	0—0
PH	4	0	0—0	0—0	0—0	0—0	0—0
Medical/dental:							
HM	2	0	0—0	0—0	0—0	0—0	0—0
DT	2	1	0—0	0—0	0—0	0—0	0—0
Other:							
Nuclear field	6	6	6—6	6—6	6—6	6—6	6—6
Divers	0	0	0—2	2—3	3—6	6—6	6—6

Notes: Commencing in fiscal year 1976, SRB award levels were semi-annually, vice annually as in fiscal year 1974–75; (----------) signifies that a particular rating was not in existence during the specified time period.

RETENTION AND REENLISTMENT—Continued

TABLE II.—SELECTIVE REENLISTMENT BONUS

[Second term (zone "B") award levels]

Skill area	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
Deck:							
BM	0	0	0—0	0—0	0—0	0—0	0—0
MA	0	0	0—0	0—0	0—0	0—0	0—0
QM	0	1	2—1	0—0	0—0	0—0	0—0
SM	0	1	2—2	3—3	3—3	3—3	3—3
OS	0	1	2—2	0—1	1—1	1—1	2—3
EW	0	0	1—1	2—2	2—2	2—2	5—5
STG	0	1	1—1	1—2	2—2	2—2	4—4
STS	0	0	1—2	3—3	3—4	4—4	4—4
OT	0	0	0—1	2—1	2—2	1—1	1—0
Ordnance:							
TM	0	0	0—0	0—0	0—0	1—1	3—3
GMG	0	0	0—0	0—0	0—0	0—0	0—0
GMM	0	1	1—1	2—3	3—3	4—4	4—4
GMT	0	0	0—0	1—2	2—2	2—2	4—4
FTG	0	0	0—0	0—1	2—2	1—1	0—0
FTM	0	0	1—2	3—4	4—4	5—6	6—6
FTB	0	0	0—0	1—3	3—4	5—5	5—5
MT	0	0	0—4	4—4	6—6	5—5	5—5
MN	0	0	0—0	0—0	0—0	0—0	0—0
Electronics:							
ET	0	1	0—0	0—0	0—0	1—6	6—6
ETN	0	0	0—0	0—0	0—0	----------	0—0
ETR	0	0	0—0	0—0	0—0	----------	0—0
DS	0	0	0—2	3—4	6—6	6—6	5—6
Precision instruments:							
PI	0	0	0—0	0—0	0—0	0—0	0—0
IM	0	0	0—0	0—0	0—0	0—0	1—1
OM	0	0	0—0	0—0	0—0	0—0	0—0
Admin/clerical:							
NC	0	0	0—0	0—0	0—0	0—0	0—0
RM	0	1	1—0	0—0	0—0	0—0	1—1
CTT	0	0	0—0	0—1	1—1	2—2	5—5
CTA	0	0	0—0	0—0	0—0	0—0	1—1
CTM	0	0	0—0	1—2	4—4	4—4	5—5
CTO	0	0	0—0	0—0	0—0	0—0	0—1
CTR	0	0	0—0	0—1	2—2	3—3	5—5
CTI	0	0	0—0	0—0	1—2	3—3	6—6
YN	0	0	0—0	0—0	0—0	0—0	0—0
LN	0	0	0—0	0—0	0—0	0—0	0—0
PN	0	0	0—0	0—0	0—0	0—0	0—0
DP	0	0	0—0	0—0	0—0	1—1	2—2
SK	0	0	0—0	0—0	0—0	0—0	0—0
DK	0	0	0—0	0—0	0—0	0—0	0—0
MS	0	0	0—0	0—0	0—0	0—0	2—2
SH	0	0	0—0	0—0	0—0	0—0	0—0
JO	0	0	0—0	0—0	0—0	0—0	0—0
PC	0	0	0—0	0—0	0—0	0—0	0—0
Miscellaneous:							
LI	0	0	0—0	0—0	0—0	0—0	0—0
DM	0	0	0—0	0—0	0—0	0—0	0—0
MU	0	0	0—0	0—0	0—0	0—0	0—0

RETENTION AND REENLISTMENT—Continued

TABLE II.—SELECTIVE REENLISTMENT BONUS—Continued

[First term (zone "B") award levels]

Skill area	Fiscal year—						
	1974	1975	1976	1977	1978	1979	1980
Engineering/hull:							
MM	0	1	2—2	2—3	3—3	2—3	3—3
EN	0	0	0—0	1—1	1—1	1—1	1—1
MR	0	1	0—0	0—0	0—0	0—0	0—0
BT	0	1	2—2	3—5	5—5	5—6	6—6
EM	0	1	1—1	1—2	1—1	1—2	2—2
IC	0	1	2—2	0—1	1—1	1—1	2—2
HT	0	1	1—1	1—1	1—1	1—1	2—2
GSE	----------	----------	----------	----------	----------	4—4	6—6
GSM	----------	----------	----------	----------	----------	4—4	6—6
PM	0	0	0—0	0—0	0—0	0—0	2—2
ML	0	0	0—1	1—1	0—0	0—0	0—0
Construction:							
CU	0	0	0—0	0—0	0—0	0—0	1—1
CE	0	0	0—0	0—0	0—0	0—0	0—0
EA	0	0	0—0	0—0	0—0	0—0	0—0
EQ	0	0	0—0	0—0	0—0	0—0	0—0
EO	0	0	0—0	0—0	0—0	0—0	0—0
CM	0	0	0—0	0—0	0—0	0—0	1—1
BU	0	0	0—0	0—0	0—0	0—0	1—1
SW	0	0	0—0	0—0	0—0	0—0	1—1
UT	0	0	0—0	0—0	0—0	0—0	1—1
Aviation:							
AT	0	0	0—0	0—0	0—0	0—0	0—0
AX	0	1	2—2	2—2	1—1	0—0	0—0
AW	0	1	1—1	0—0	0—1	1—1	3—3
AO	0	0	0—0	0—0	0—0	0—0	0—0
AQ	0	0	0—0	0—0	0—0	0—1	3—3
AC	0	0	0—0	0—1	3—3	4—4	4—4
ABE	0	0	0—0	0—2	2—2	1—1	0—0
ABF	0	0	0—0	0—0	0—0	0—0	0—0
ABH	0	0	0—0	0—0	0—0	0—0	0—0
AE	0	0	0—0	0—0	0—0	0—0	0—0
AMS	0	0	0—0	0—0	0—0	0—0	0—0
AMH	0	0	0—0	0—0	0—0	0—0	0—0
AME	0	0	0—0	0—0	0—0	0—0	0—0
PR	0	0	0—0	1—1	1—1	0—0	0—0
AG	0	0	0—0	1—1	1—1	1—1	1—1
TD	0	0	0—0	0—0	0—0	0—0	0—0
AK	0	0	0—0	0—0	0—0	0—0	0—0
AZ	0	0	0—0	0—0	0—0	0—0	0—0
ASE	0	0	0—0	0—0	0—0	0—0	0—0
ASH	0	0	0—0	0—0	0—0	0—0	0—0
ASM	0	0	0—0	0—0	0—0	0—0	0—0
ASM	0	0	0—0	0—0	0—0	0—0	0—0
PH	0	0	0—0	0—0	0—0	1—1	2—2
Medical/dental:							
HM	0	0	0—0	0—0	0—0	0—0	0—0
DT	0	0	0—0	0—0	0—0	0—0	0—0
Other:							
Nuclear field	(*)	(*)	6—6	6—6	6—6	6—6	6—6
Divers	0	0	0—0	0—1	1—6	6—6	6—6

Notes: Commencing in fiscal year 1976, SRB award levels were changed semiannually, vice annually as in fiscal year 1974-75; (----------) signifies that a particular rating was not in existence during the specified time period; * signifies that nuclear field personnel were paid under nuclear continuation pay authority vice SRB during the specified time period.

RETENTION AND REENLISTMENT—Continued

TABLE III.—USE OF BONUS MONEYS BY SKILL AREA, ACTUAL NUMBERS OF PERSONS RECEIVING BONUS BY ZONE WITHIN SKILL AREAS

ZONE A—FISCAL YEAR 1980

Skill area	Reenlistments	Expenditures (thousands)	Skill area	Reenlistments	Expenditures (thousands)
ABE	65	$161	STG	135	$1,292
AG	72	185	STS	143	1,263
AQ	155	1,614	SW	12	33
AT	407	3,170	TD	36	102
AW	174	1,877	TM	144	808
AX	2	4	UT	34	85
BT	571	6,220	0313	5	35
BU	75	388	0316	11	58
CE	30	158	0317	46	288
CTI	57	298	0318	7	44
CTM	128	1,293	0319	1	8
CTT	77	190	0321	3	20
DP	129	344	3301	1	12
DS	172	1,869	3325	43	393
EA	4	8	3332	5	54
EM	227	587	3333	30	305
EO	60	309	3337	19	191
ET	701	7,448	3351	18	260
EW	21	57	3353	185	2,736
FTB	84	711	3354	234	3,374
FTG	32	92	3355	320	4,580
FTG (SS)	51	513	3356	82	1,179
FTM	119	1,288	3383	41	595
GMM	76	764	3384	39	553
GMT	68	584	3385	90	1,293
GS	121	1,412	3386	9	127
HT	249	690	5321	31	342
IC	165	871	5326	27	307
IM	5	13	5332	9	107
IS	20	45	5333	1	9
JO	20	49	5342	10	116
LN	10	57	5343	57	627
MM	898	9,029	8251	5	27
MS	745	6,495	8406	12	36
MT	195	1,715	8432	4	11
OS	98	258	8452	6	14
OT	63	167	8492	2	15
PH	60	149	8493	6	59
PN	436	1,148	8506	3	9
SM	106	595			

RETENTION AND REENLISTMENT—Continued

TABLE III.—USE OF BONUS MONEYS BY SKILL AREA, ACTUAL NUMBERS OF PERSONS RECEIVING BONUS BY ZONE WITHIN SKILL AREAS—Continued

ZONE B—FISCAL YEAR 1980

Skill area	Reenlistments	Expenditures (thousands)	Skill area	Reenlistments	Expenditures (thousands)
AC	71	$708	UT	29	60
AG	33	74	0313	8	58
AQ	130	943	0316	19	128
AW	88	673	0317	41	309
BT	221	2, 488	0318	6	39
BU	60	132	0319	2	18
CE	21	47	0321	5	38
CM	31	150	2332	2	7
CTA	31	77	2333	3	12
CTI	23	229	2347	2	7
CTM	24	272	3325	2	14
CTO	12	28	3333	7	80
CTR	50	505	3337	3	34
CTT	42	504	3351	4	55
DS	75	867	3353	8	115
DP	98	519	3354	6	69
EM	131	648	3355	12	163
EN	120	292	3356	6	87
EO	30	68	3359	33	434
ET	228	2, 485	3361	15	201
ETS	19	206	3363	36	508
EW	38	179	3364	45	647
FTB	16	157	3365	87	1199
FTG	2	6	3366	23	313
FTM	26	293	3383	2	22
FTS	20	209	3384	1	12
GMM	25	232	3385	2	19
GMT	40	367	3386	1	9
GS	73	809	3389	2	20
HT	179	861	3393	7	105
IC	101	500	3394	2	30
IM	19	44	3395	14	196
IS	36	164	3396	9	125
MM	321	2, 339	5311	7	73
MT	64	664	5321	13	135
MS	359	1, 623	5322	1	12
OS	75	479	5326	18	200
OT	24	57	5332	16	180
PM	7	29	5333	5	59
PH	49	246	5342	27	299
RM	367	861	5343	22	248
SM	48	365	8251	11	53
STG	66	631	8402	21	145
STS	54	496	8432	11	26
SW	19	44	8492	1	12
TM	85	629	8493	5	58

RETENTION AND REENLISTMENT—Continued

TABLE III.—USE OF BONUS MONEYS BY SKILL AREA, ACTUAL NUMBERS OF PERSONS RECEIVING BONUS BY ZONE WITHIN SKILL AREAS—Continued

ZONE A—FISCAL YEAR 1979

Skill area	Reenlistments	Expenditures (thousands)	Skill area	Reenlistments	Expenditures (thousands)
ABE	83	$260	OS	179	1,087
ABF	1	1	QM	1	1
AC	105	731	OT	38	68
AG	43	76	SM	105	449
AQ	48	255	STG	67	373
AT	291	1,441	STS	129	920
AW	129	927	TM	171	1,115
AX	24	43	0313	7	48
BT	425	2,904	0316	17	118
CTI	38	167	0318	8	61
CTM	85	577	3325	18	78
CTR	1	1	3332	5	18
CTT	64	117	3333	10	46
DP	75	127	3337	15	65
DS	119	722	3351	14	151
EM	6	5	3353	173	1,620
ET	232	1,289	3354	208	1,917
ETS	33	248	3355	227	1,996
EW	37	152	3356	56	404
FTB	39	232	3364	1	15
FTG	44	157	3365	1	14
FTM	107	779	3383	40	347
FTS	36	199	3384	32	309
GMG	3	2	3385	82	742
GMM	78	566	3386	8	53
GMT	103	687	5321	11	103
GS	24	174	5326	19	147
HT	298	996	5332	11	83
IC	128	402	5342	10	82
MM	600	3,753	5343	32	277
MS	439	2,235	8492	1	3
MT	92	522	8493	7	58

ZONE B—FISCAL YEAR 1979

Skill area	Reenlistments	Expenditures (thousands)	Skill area	Reenlistments	Expenditures (thousands)
ABE	17	$28	0316	8	23
AC	57	302	0318	5	18
AG	17	26	0319	2	4
AQ	21	42	3325	6	31
AW	48	108	3332	1	11
BT	118	932	3333	6	44
CM	12	21	3337	10	70
CTA	37	58	3338	1	3
CTI	20	67	3353	7	97
CTR	27	77	3354	9	64
CTM	14	61	3355	10	70
CTT	34	83	3356	7	64
DP	45	72	3359	33	297
DS	37	247	3361	13	107
EM	72	104	3363	45	430
EN	98	154	3364	46	368
ET	104	195	3365	52	474
ETS	14	91	3366	35	288
EW	23	75	3383	4	25
FTB	20	136	3384	2	7
FTM	37	217	3385	11	89
FTS	20	104	3386	1	15
GMM	19	118	3389	1	5
GS	18	99	3393	9	49
HT	140	344	3394	6	75
IC	52	66	3395	18	151
MM	175	521	3396	11	73
MT	37	211	5311	5	34
OS	42	45	5321	5	43
OT	23	30	5326	7	46
PH	32	47	5327	1	12
SM	32	119	5332	8	63
FTG	21	32	5333	6	29
GMT	24	64	5342	12	80
STG	26	62	5343	10	61
STS	30	184	8402	26	109
TD	1	1	8492	5	28
TM	51	72	8493	7	38
0313	3	11			

TABLE IV—SAMPLES OF BONUS PAYMENTS BY RATING AND PAYGRADE

The basic formula for computing maximum selective reenlistment bonus (SRB) payments is: Total bonus paid = base pay = bonus award level × years of additional obligated service]

Rating	Base pay	Award level	Total bonus for reenlistment	
			4 yr	6 yr
Zone A (all examples assume an E-4 petty officer with 4 yr of service):				
ABE	$727.20	2	$5,817.60	$8,726.40
AW	727.20	4	11,635.20	[1] 16,000.00
MM (nuclear)	727.20	6	17,425.80	[2] 20,000.00
Zone B (all examples assume an E-6 petty officer with 6 yr of service):				
EN	878.10	1	3,512.40	5,268.60
SM	878.10	3	10,537.10	15,805.80
CTR	878.10	5	[1] 16,000.00	[1] 16,000.00
Zone C (all examples assume an E-7 chief petty officer with 10 yr of service):				
OS	1,056.30	2	8,450.40	12,675.60
DS	1,056.30	4	[1] 16,000.00	[1] 16,030.00
IC (nuclear)	1,056.30	6	[2] 20,000.00	[2] 20,000.00

[1] There is a $16,000 limit on SRB payments for nonnuclear skills.
[2] There is a $20,000 limit on SRB payments for nuclear skills.

TABLE V.—RETENTION AND REENLISTMENT: ENLISTED SHORTAGES BY SKILL AREAS

	Total reqts	Total inventory	Diff reqts	E 5/9	Inventory	Diff
FISCAL YEAR 1978						
Deck	37,083	35,645	−1,438	22,110	18,761	−3,349
Ordnance	22,755	23,463	+708	14,393	11,313	−3,080
Elec	19,285	19,729	−556	12,209	9,533	−2,676
Prec	802	786	−16	546	443	−103
Admin/clerical	85,944	85,085	−859	50,404	49,558	−846
Miscellaneous	1,680	1,688	+8	988	1,103	+115
Eng/hull	71,651	76,806	+5,155	42,955	35,043	−7,912
Construction	9,450	9,529	+99	5,497	4,989	−508
Aviation	89,761	88,328	−1,433	50,565	47,785	−2,780
Medical/dentistry	26,916	25,392	+1,524	10,974	10,687	+287
FISCAL YEAR 1979						
Deck	37,889	35,793	−2,096	22,118	19,218	+2,900
Ordnance	22,182	22,804	+622	13,900	11,891	−2,009
Elec	19,135	18,902	−233	12,078	10,123	−1,955
Prec	798	743	−55	507	422	−85
Admin/clerical	84,875	83,723	−1,152	49,799	49,839	+40
Miscellaneous	1,651	1,710	+59	1,000	1,704	+74
Eng/hull	72,127	78,961	+6,834	42,046	35,697	—6,349
Construction	9,383	9,492	+109	5,421	4,663	—758
Aviation	87,683	88,838	+11,155	49,448	47,016	−2,432
Medical/dentistry	26,483	25,578	—905	10,853	10,981	+128
FISCAL YEAR 1980						
Deck	38,688	33,427	—5,261	22,272	18,948	—3,324
Ordnance	22,067	21,555	—522	13,974	12,279	—1,695
Elec	19,331	18,983	—348	12,291	11,403	—883
Prec	833	704	—129	534	412	—122
Admin/clerical	85,274	83,125	—2,149	49,705	47,001	—2,704
Miscellaneous	1,646	1,575	—71	1,001	949	—52
Eng/hull	72,408	77,918	+5,510	41,947	36,283	—5,664
Construction	10,161	10,936	—775	5,406	4,903	—503
Aviation	87,822	86,838	—984	50,701	44,795	—5,906
Medical/dentistry	26,777	24,906	—1,871	11,012	10,294	—718

MARINE CORPS

General TICE. For the Marine Corps, the following exhibits are provided as requested. While any shortages are a matter of concern, the Marine Corps considers skill shortages as critical when the actual inventory is less than 85 percent of the requirement. These shortages by pay grade and skill are provided based on the actual inventory and requirement, as of 30 March 1981. The Marine Corps implemented the selective reenlistment bonus program in fiscal year 1975. Available data includes the number eligible for the bonus, the number receiving a bonus and the total cost of the bonus, by skill area and by bonus zone (Zone A or Zone B) for fiscal years 1975 through 1980. Zone A bonuses are paid for reenlistments between 21 months and 6 years of service. Zone B bonuses are paid for reenlistments between 6 and 10 years of service. Zone A can generally be equated to pay grades E–4 and E–5, while Zone B equates to pay grades E–5 and E–6. For the period from fiscal year 1975 through fiscal year 1980, the maximum amount of bonus was established by law as $12,000.

[See attached exhibits:]

MARINE CORPS SHORTAGES BY PAY GRADE/SKILL AREA

	E–9	E–8	E–7	E–6	E–5	E–4	E–3/E–1
Skill area (occupational field):							
01							×
02				×	×	×	×
03				×			
04	×						×
08	×			×			
11						×	
13	×			×			
14		×					×
15	×			×			
18		×			×		
21					×		
23		×		×			
25		×					
26	×			×		×	×
28	×				×	×	×
30							
31							
33							
34							
35		×		×			
40						×	
41		×			×	×	×
43						×	×
44	×					×	
46		×					×
55	×	×					×
57		×		×	×	×	×
58	×						×
59	×	×		×		×	×
60							×
61							×
63				×			
64	×	×					×
65							×
68						×	×
70		×					×
72	×		×			×	×
73							×

Critical occupational field and pay grade shortages are identified by an "×".

USE OF BONUS MONEYS BY SKILL AREA/ZONE

[Dollar amounts in thousands]

	Bonus zone	Fiscal year 1975			Fiscal year 1976			Fiscal year 1977		
		Eligible	Number	Amount	Eligible	Number	Amount	Eligible	Number	Amount
Skill area (occupational field):										
01	A									
	B									
02	A	13	3	$5	9	5	$10	17	1	$1
	B							60	8	11
03	A							990	280	260
	B									
04	A	80	19	58						
	B									
08	A	416	23	46	89	26	37	337	195	187
	B							7	1	3
11	A	68	10	27	70	11	10	51	9	7
	B									
13	A	116	13	36	26	7	13	107	23	20
	B									
14	A							12		
	B									
15	A				3	1	1			
	B									
18	A	393	23	91	124	21	30	252	14	19
	B									
21	A	440	66	156	312	58	59	122	8	9
	B							9		
23	A									
	B									
25	A	310	46	62	18	4	4	19	6	5
	B							7		
26	A	171	58	244	190	49	92	9		
	B							44	1	1
28	A	591	95	356	244	127	211	353	72	85
	B							5		
30	A									
	B									
31	A									
	B									
33	A							265	28	25
	B							20	7	10
34	A	326	49	101				3	1	1
	B							11		
35	A							285	85	77
	B									
40	A	473	39	67	29	9	14	31	5	5
	B							41	3	4
41	A									
	B									
43	A	92	20	65				7	3	3
	B									
44	A	233	24	55				63	14	14
	B									
46	A							6	1	1
	B									
55	A	91	11	33						
	B									
57	A	28	9	3	24	5	8	12	7	8
	B							37	35	47
58	A				3	2	2	7	1	1
	B							27	1	1
59	A	174	38	139	151	51	119	158	40	45
	B							26		
60	A	1,729	172	294				327	42	45
	B							11		
61	A	279	21	65				194	43	56
	B									
65	A	326	27	41				120	43	42
	B									
66	A	2,214	165	735	712	90	120	332	61	80
	B									
68	A									
	B									
70	A									
	B									
72	A	149	13	47	57	12	14	22	3	3
	B							7	4	5
73	A	84	32	168	102	10	16	62	10	12
	B							28	1	2
Total		9,163	976	2,894	2,321	488	760	4,562	1,056	1,097

USE OF BONUS MONEYS BY SKILL AREA ZONE—Continued

[Dollar amounts in thousands]

		Fiscal year 1978			Fiscal year 1979			Fiscal year 1980		
01	A	14	$14	$16						
	B									
02	A	52	29	30	6	6	$15	35	4	$26
	B	36	9	10	111	26	96	63	63	494
03	A	11, 791	757	670	9, 213	565	902	8, 466	77	[1] 177
	B									
04	A				69	11	23	359	84	438
	B				82	34	103	58	55	349
08	A	1, 414	132	114	1, 205	32	[1] 33	948	3	[1] 16
	B	15	5	3	7	4	9			
11	A	3	3	3	247	21	80	588	11	[1] 54
	B				79	23	114	89	35	210
13	A	369	60	58	273	39	74	1, 671	12	[1] 36
	B				212	29	95	218	14	[1] 42
14	A	15	4	5	14	1	2			
	B				1	1	5	7	5	26
15	A	3	2	2				29	6	32
	B									
18	A	860	89	75	715	22	31			
	B				78	32	95	72	40	246
21	A	258	51	57	177	30	96	480	79	224
	B	25	5	3	110	19	50	133	88	712
23	A									
	B									
25	A	602	74	57	559	96	293	2, 814	17	[1] 84
	B	22	6	4	25	4	13	291	2	[1] 12
26	A	333	86	123	194	25	98	241	29	164
	B	113	40	42	19	6	22	45	36	337
28	A	516	10	[1] 30	382	56	214	577	78	738
	B	103	43	34	127	37	125	92	92	878
30	A				631	131	233	1, 890	44	[1] 157
	B				645	136	347	577	63	230
31	A									
	B									
33	A	1, 121	239	243	941	153	542	913	28	227
	B	19	6	4	121	44	186	96	64	559
34	A				48	9	26	308	7	[1] 29
	B	45	18	19	146	28	123	82	63	508
35	A	819	90	88	668	101	301	2, 974	29	[1] 115
	B							501	1	[1] 7
40	A	33	17	18	67	16	23	159	44	361
	B	44	15	16	113	18	68	94	60	637
41	A									
	B									
43	A	44	7	7	38	12	50	38	7	50
	B				34	8	20	20	14	118
44	A	113	7	7	38	8	11	90	26	155
	B	24	8	9	36	8	37	36	32	243
46	A	9	2	2				137	23	59
	B									
55	A									
	B									
57	A	49	4	4	50	11	31	13	2	10
	B	53	25	29	49	20	34			
58	A	40	11	8	2	2	6	648	138	755
	B				102	27	123	122	58	344
59	A	388	44	53	244	30	134	275	79	810
	B				32	15	80	64	35	355
60	A	224	73	78	644	111	382	1, 073	30	[1] 148
	B				681	160	724	560	434	3, 838
61	A	254	40	49	178	39	143	529	86	499
	B				229	43	240	206	116	1, 003
65	A							255	67	837
	B							67	67	619
66	A	1, 147	111	145	875	118	498	1, 866	136	936
	B				370	46	256	301	140	1, 105
68	A	8	1	1						
	B							21	20	211
70	A							299	1	[1] 2
	B				95	22	157	98	71	646
72	A	78	10	14	30	6	22	188	47	381
	B	11	6	6	25	10	59	33	21	228
73	A	111	5	[1] 11	64	5	20	55	23	229
	B	36	11	11	71	16	58	44	19	195
Total		21, 197	2, 169	2, 165	21, 172	2, 496	7, 566	31, 892	2, 997	21, 905

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[1] Skills were bonus eligible for only short periods of time. This accounts for the relatively low number of bonus payments in relation to the eligible population.

AIR FORCE

ANSWER. On the first part of the question which deals with shortages within skill area by pay grade, we have previously provided the data for skill area shortages but not broken out by pay grade. We are currently running additional inquiries against our historical files, but due to the extensiveness of the data we will provide this breakout via a separate insert. Regarding the other parts of the question, Table I below identifies by "Career Field" (two-digit level of the five-digit Air Force specialty code (AFSC)) those skill areas receiving the selective reenlistment bonus since fiscal year 1975. However not all five-digit AFSCs within the career field may have received the SRB. In fiscal year 1980, for example, 60 percent (27 of 47) of our Career Fields contained at least one AFSC receiving the SRB, but only 28 percent (70 of 254) of all AFSCs received the SRB. Prior to fiscal year 1975 all members in every AFSC were eligible to receive either a regular reenlistment bonus or variable reenlistment bonus; thus data are reflected for only fiscal years 1975–80. A Zone A (reenlistment occurring between 2–6 yrs. of service) bonus was authorized from fiscal year 1975 on, but a Zone B (reenlishment between 6–10 years) bonus was not authorized until July 1976. In general, Zone A reenlistees are E–4s (Sgts) and those in Zones B are E–5s (Staff Sgts); likewise, Zone A generally represents first-term personnel and Zone B represents second-term personnel. A maximum of $12,000 was permitted in each zone up to 1 October 80 when the amount was increased to $16,000. Table II reflects eligibles/reenlistees and bonus program costs by career field.

TABLE I.—REENLISTMENT BONUS BY CAREER FIELD

Career field: [1] Title	Fiscal year—											
	1975		1976 [2]		1977		1978		1979		1980	
	A	B	A	B	A	B	A	B	A	B	A	B
11 Aircrew ops	X	-	X	X	X	X	X	X	X	X	X	X
20 Intelligence	X	-	X	X	X	X	X	X	X	X	X	X
22 Geodetic	X	-	-	-	-	-	-	-	X	X	X	X
23 Audiovisual	X	-	X	-	X	-	-	-	-	-	-	
24 Safety	-	-	-	X	-	X	X	X	X	X	X	X
25 Weather	X	-	X	-	X	-	X	X	X	X	X	X
27 Cmd control sys	X	-	X	X	X	X	X	X	X	X	X	X
29 Comm ops	X	-	X	-	-	X	-	X	-	X	-	X
30 Comm-elect sys	X	-	X	X	X	X	X	X	X	X	X	X
31 Msl-elect maint	X	-	X	X	-	X	X	X	X	-	X	
32 Avionics systems	X	-	X	X	X	X	X	X	X	X	X	X
34 Training devices	X	-	X	X	X	X	X	X	X	X	X	X
36 Wire comm maint	X	-	X	-	-	-	X	-	X	X	X	X
39 Maint mgt sys	X	-	X	X	X	X	X	-	X	-	-	
40 Intricate equip	X	-	-	-	-	-	X	-	X	-	X	
42 Aircraft sys maint	X	-	-	-	-	-	X	-	X	-	X	
43 Aircraft maint	X	-	X	-	-	-	-	-	-	-	X	
44 Missile maint	X	-	X	-	X	-	-	-	-	-	X	X
46 Munitions/weapons maint	X	-	X	X	X	X	X	X	X	X	X	X
47 Vehicle maint	X	-	-	-	-	-	-	-	X	-	X	
51 Computer sys	X	-	X	X	X	X	X	X	X	X	X	X
54 Mech/elect	X	-	X	-	X	-	X	-	X	X	X	
55 Struct/pavements	X	-	X	-	X	-	X	-	X	-	X	
62 Food services	X	-	-	-	-	-	-	-	-	-	-	
64 Supply	X	-	-	-	-	-	-	-	X	X	X	X
65 Contracting	X	-	-	-	-	-	X	-	X	-	X	
67 Acctg, fin, audit	X	-	-	-	-	-	-	-	-	X	-	
69 Mgt analysis	X	-	X	-	-	-	X	-	X	-	X	
73 Personnel	X	-	X	-	-	-	-	-	-	-	-	
75 Educ and trng	X	-	X	-	-	-	-	-	-	-	-	
79 Information	X	-	-	-	-	-	X	X	X	X	X	X
9 Medical	X	-	-	-	-	-	X	X	X	X	X	X
92 Aircrew protection	-	-	-	-	-	-	-	-	-	-	X	
99 Scientific sys	X	-	X	X	X	X	X	X	X	X	X	X

[1] There are a total of 47 career field areas.
[2] Includes transition quarter when Zone B was authorized on July 1, 1976.

TABLE II.—REENLISTMENT BONUS PAYMENTS AND COST BY CAREER FIELDS

[Dollar amounts in thousands, fiscal years]

Career field: Title	1975— 1975—Zone A		1976[1]— 1976[1]—Zone A		1976[1]— 1976[1]—Zone B	
	Reenlisted	Cost	Reenlisted	Cost	Reenlisted	Cos
11XXX Aircrew ops	92	$98	100	$103	9	$9
20XXX Intelligence	265	524	229	213	10	4
22XXX Geodetic	4	4				
23XXX Audiovisual	42	146	4	6		
24XXX Safety					4	3
25XXX Weather	137	335	42	46		
27XXX Cmd control sys	504	1, 487	402	416	67	34
29XXX Comm ops	194	480	1	1		
30XXX Comm-elect sys	1, 229	2, 954	413	407	53	29
31XXX Msl-elect maint	364	1, 043	142	119	15	7
32XXX Avionics systems	939	2, 588	469	504	38	21
34XXX Training devices	79	212	59	58	12	8
36XXX Wire comm maint	41	117	1	1		
39XXX Maint mgt sys	42	103	56	76	7	3
40XXX Intricate equip	9	24				
42XXX Aircraft sys maint	56	59				
43XXX Aircraft maint	1, 983	3, 789	51	45		
44XXX Missile maint	136	382	50	45		
46XXX Munitions/weapons	188	474	118	185	3	3
47XXX Vehicle maint	28	41				
51XXX Computer sys	246	786	48	43	14	7
54XXX Mech/elect	77	144	27	23		
55XXX Struct/pavements	8	13	8	7		
62XXX Food services	152	513				
64XXX Supply	396	1, 261				
65XXX Contracting	79	150				
67XXX Acctg, fin, audit	11	12				
69XXX Mgt analysis	23	71	37	44		
73XXX Personnel	713	2, 206	6	12		
75XXX Educ and trng	147	320	26	22		
79XXX Information	9	13				
9XXXX Medical	87	222				
92XXX Aircrew protection						
99XXX Scientific sys			25	42	8	8
Unmatched skill/late payment	517	5. 536	832	. 833	142	. 072
Subtotal, 1st/lump sum	8, 797	26. 107	3, 146	3. 251	382	. 208
Installment payments	9, 117	12. 608	7, 040	7. 513		
Total bonus program	17, 914	38. 715	10, 186	10. 764	382	. 208

TABLE II.—REENLISTMENT BONUS PAYMENTS AND COST BY CAREER FIELDS—Continued

[Dollar amounts in thousands, fiscal years]

	1977—Zone A			Fiscal year 1977—Zone B		
	Eligible	Reenlisted	Cost	Eligible	Reenlisted	Cost
11XXX Aircrew ops	262	135	$132	56	23	$16
20XXX Intelligence	179	74	80	52	24	12
22XXX Geodetic						
23XXX Audiovisual	6	3	3			
24XXX Safety				28	28	12
25XXX Weather	280	150	200			
27XXX Cmd control sys	208	598	798	597	195	107
29XXX Comm ops				3	1	1
30XXX Comm-elect sys	256	72	80	298	141	96
31XXX Msl-elect Maint				132	65	35
32XXX Avionics systems	566	152	183	186	94	77
34XXX Training devices	189	108	153	65	41	30
36XXX Wire comm maint						
39XXX Maint mgt sys	147	82	110	70	49	26
40XXX Intricate equip						
42XXX Aircraft sys maint						
43XXX Aircraft maint						
44XXX Missile maint	4	2	2			
46XXX Munitions/Weapons	158	31	29	32	18	19
47XXX Vehicle maint						
51XXX Computer sys	435	148	133	87	15	8
54XXX Mech/elect						
55XXX Struct/pavements	70	25	21			
62XXX Food services						
64XXX Supply						
65XXX Contracting						
67XXX Acctg, fin, audit						
69XXX Mgt analysis						
73XXX Personnel						
75XXX Educ and trng						
79XXX Information						
9XXXX Medical						
92XXX Aircrew protection						
99XXX Scientific sys	41	22	41	12	8	8
Unmatched skill/late payment		272	.274		232	.101
Subtotal, 1st/lump sum	3,801	1,875	2.239	1,618	924	.548
Installment payments		8,561	9.133		316	.187
Total, bonus program		10,436	11.372		1,240	.735
	Fiscal year 1978—Zone A			Fiscal year 1978—Zone B		
11XXX Aircrew ops	332	195	$267	172	113	$70
20XXX Intelligence	436	253	284	329	221	144
22XXX Geodetic						
32XXX Audiovisual						
24XXX Safety	2	1	1	27	16	10
25XXX Weather	231	136	137	106	60	35
27XXX Cmd control sys	1,301	618	853	384	243	175
29XXX Comm ops				13	11	8
30XXX Comm-elect sys	459	208	242	108	56	34
31XXX Msl-elect maint	155	57	83	38	19	11
32XXX Avionics systems	182	107	140	71	49	29
34XXX Training devices	149	88	105	32	25	17
36XXX Wire comm maint	56	30	27			
39XXX Maint mgt sys	89	63	59			
40XXX Intricate equip	38	11	7			
42XXX Aircraft sys maint	112	56	47			
43XXX Aircraft maint						
44XXX Missile maint						
46XXX Munitions/weapons	86	44	47	24	12	7
47XXX Vehicle maint						
51XXX Computer sys	485	331	334	279	161	93
54XXX Mech/elect	271	144	147			
55XXX Struct/pavements	74	59	57			
62XXX Food services						
64XXX Supply						
65XXX Contracting	103	50	40			
67XXX Acctg, fin, audit						
69XXX Mgt analysis	2	2	1			
73XXX Personnel						
75XXX Educ and trng						
79XXX Information	96	52	51	20	16	10
9XXXX Medical	71	40	37	68	42	25
92XXX Aircrew protection						
99XXX Scientific sys	35	12	20	30	13	9
Unmatched skill/late payment			.035			
Subtotal 1st/lump sum	4,775	2,557	3.021	1,701	1,057	.677
Installment payments		8,876	9.797		1,126	.903
Total, bonus program		11,433	12.818		2,183	1.580

TABLE II.—REENLISTMENT BONUS PAYMENTS AND COST BY CAREER FIELDS—Continued

[Dollar amounts in thousands, fiscal years]

		1979—Zone A			1979—Zone B		
11XXX	Aircrew ops	388	270	$1,149	214	92	$166
20XXX	Intelligence	434	169	709	162	73	225
22XXX	Geodetic	16	6	26	7	4	5
23XXX	Audiovisual						
24XXX	Safety	23	11	31	18	11	47
25XXX	Weather	425	154	687	108	47	82
27XXX	Cmd control sys	1,221	561	3,586	365	177	579
29XXX	Comm ops				13	11	16
30XXX	Comm-elect sys	999	382	1,659	140	30	50
31XXX	Msl-elect maint	266	102	537			
32XXX	Avionics systems	575	264	1,235	94	38	71
34XXX	Training devices	171	50	173	34	13	27
36XXX	Wire comm maint	137	55	175	46	12	56
39XXX	Maint mgt sys	72	44	157			
40XXX	Intricate equip	69	30	80			
42XXX	Aircraft sys maint	135	71	220			
43XXX	Aircraft maint						
44XXX	Missile maint						
46XXX	Munitions/weapons	191	66	451	36	13	19
47XXX	Vehicle maint	21	14	44			
51XXX	Computer sys	888	472	2,555	260	125	223
54XXX	Mech/elect	354	137	482	27	23	98
55XXX	Struct/pavements	161	67	133			
62XXX	Food services						
64XXX	Supply	80	66	336	105	60	161
65XXX	Contracting	113	87	332			
67XXX	Acctg, fin, audit				68	36	69
69XXX	Mgt analysis	42	22	93			
73XXX	Personnel						
75XXX	Educ and trng						
79XXX	Information	104	64	295	12	7	5
9XXXX	Medical	51	3	3	68	8	16
92XXX	Aircrew protection						
99XXX	Scientific sys	71	32	192	21	14	41
Unmatched skill/late payment				.332			.003
Subtotal, 1st/lump sum		7,107	3,199	15.340	1,808	803	1.959
Installment payments			10,328	11.980		1,830	.1232
Total, bonus program			13,527	27.320		2,633	3.191
		1980—Zone A			1980—Zone B		
11XXX	Aircrew ops	565	394	$3,227	263	231	$491
20XXX	Intelligence	582	273	1,489	105	57	131
22XXX	Geodetic	3	3	18	5	4	18
23XXX	Audiovisual						
24XXX	Safety	64	58	341	17	8	36
25XXX	Weather	303	100	288	82	47	108
27XXX	Cmd control sys	1,288	674	6,516	368	229	800
29XXX	Comm ops				20	17	40
30XXX	Comm-elect sys	1,440	444	2,634	130	86	198
31XXX	Msl-elect maint	33	7	21			
32XXX	Avionics systems	374	77	349	130	82	291
34XXX	Training devices	189	100	288	10	9	21
36XXX	Wire comm maint	325	112	658			
39XXX	Maint mgt sys				48	32	145
40XXX	Intricate equip	70	44	216			
42XXX	Aircraft sys maint	190	79	227			
43XXX	Aircraft maint	173	66	190			
44XXX	Missile maint	185	75	217	9	8	36
46XXX	Munitions/weapons	212	91	535	42	17	39
47XXX	Vehicle maint	222	109	395			
51XXX	Computer sys	857	456	4,144	246	136	619
54XXX	Mech/elect	4	3	18			
55XXX	Struct/pavements	170	80	341			
62XXX	Food services						
64XXX	Supply	702	297	1,745	140	104	696
65XXX	Contracting	223	157	992			
67XXX	Acctg, fin, audit						
69XXX	Mgt analysis	107	91	733			
73XXX	Personnel						
75XXX	Educ and trng						
79XXX	Information	106	78	458	8	5	23
9XXXX	Medical	128	68	196	22	18	41
92XXX	Aircrew protection	18	9	26			
99XXX	Scientific sys	93	61	591	33	22	127
Unmatched skill/late payment			94				
Subtotal, 1st/lump sum		8,626	4,090	26.853	1,678	1,094	3.860
Installment payments			8,576	10.337		1,799	1.263
Total, bonus program			12,666	37.690		2,893	5.123

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[1] Includes transition quarter and Zone B was authorized effective July 1, 1976.

[2] Eligible data not maintained prior to fiscal year 1977.

Senator EXON. Please provide the percentage of personnel who are married by service and pay grade for each fiscal year, 1972–80.

ANSWER. The percentage of military personnel who are married by officer and enlisted are shown below:

	Fiscal year (percent shown)—								
	1972	1973	1974	~~1975~~	1976	1977	1978	1979	1980
Army:									
Officers	79.2	82.1	77.4	77.9	79.9	79.1	82.8	86.5	85.8
Enlisted	48.8	49.3	46.9	48.8	53.1	52.1	52.3	55.1	53.9
Navy:									
Officers	77.4	76.9	74.8	72.7	73.3	73.1	72.6	72.0	70.4
Enlisted	43.2	45.2	46.2	43.9	44.4	44.7	43.3	42.2	40.6
Marine Corps:									
Officers	68.9	73.8	75.4	75.3	74.4	74.0	72.8	71.4	70.8
Enlisted	32.4	35.5	34.8	34.1	33.9	33.4	31.8	30.7	30.1
Air Force:									
Officers	80.6	81.1	80.9	82.1	82.6	82.1	81.4	79.4	78.7
Enlisted	60.9	61.9	62.6	64.1	66.4	63.4	62.1	60.6	59.0
Total DOD:									
Officers	78.7	80.1	77.9	78.1	79.0	78.4	79.3	79.7	78.8
Enlisted	49.5	50.7	50.0	50.3	52.1	51.4	50.6	50.8	49.5

AVERAGE LENGTH OF SERVICE

Senator EXON. For each Service, please provide the average length of service for each grade for fiscal years 1972–1980.

ANSWER. The average length of service for pay purposes for enlisted personnel and the average time in service at the time of promotion are attached for fiscal years 1978 through 1980. The average time in service at the time of promotion for enlisted personnel during fiscal years 1964 through 1977 are also attached.

ENLISTED PROMOTIONS (TIMING AND INVENTORY)

Grade	Army	Navy	Marine Corps	Air Force
Fiscal year 1978 (average TIS):				
Of inventory in fiscal year 1978:				
E-9	24.53	22.31	24.11	25.19
E-8	20.54	19.27	19.60	22.36
E-7	16.92	16.65	14.75	19.24
E-6	10.90	12.02	8.80	15.45
E-5	5.88	5.98	4.61	9.28
E-4	2.90	3.13	2.96	4.30
E-3	1.51	1.80	2.00	1.85
E-2	.92	1.15	1.03	.72
At promotion in fiscal year 1978:				
E-9	21.47	20.50	21.79	23.31
E-8	18.78	17.53	18.14	20.47
E-7	15.01	13.56	11.56	17.14
E-6	8.10	8.68	6.43	12.98
E-5	3.59	3.76	3.04	5.95
E-4	1.66	2.16	2.15	2.75
E-3	1.00	1.20	1.19	.97
E-2	.52	.49	.58	.46
Fiscal year 1979 (average TIS):				
Of inventory in fiscal year 1979:				
E-9	24.38	22.90	24.19	25.37
E-8	20.82	19.70	19.85	22.18
E-7	16.63	16.74	14.93	19.07
E-6	10.87	12.04	9.25	15.22
E-5	5.92	6.00	4.92	9.07
E-4	3.06	3.20	3.06	4.22
E-3	1.58	1.92	2.10	1.81
E-2	.89	1.25	1.05	.74
At promotion in fiscal year 1979:				
E-9	21.61	20.67	21.53	23.45
E-8	19.22	18.31	17.99	20.54
E-7	13.09	14.42	11.75	17.11
E-6	7.87	8.40	6.71	12.88
E-5	3.66	3.72	3.35	5.76
E-4	1.80	2.12	2.31	2.81
E-3	.90	1.26	1.18	.93
E-2	.51	.52	.56	.45

ENLISTED PROMOTIONS (TIMING AND INVENTORY)—Continued

Grade	Army	Navy	Marine Corps	Air Force
Fiscal year 1980 (average TIS):				
Of inventory in fiscal year 1980:				
E-9	24.48	23.30	24.80	25.27
E-8	20.85	19.82	19.93	21.84
E-7	16.21	16.62	14.87	18.82
E-6	10.85	11.91	9.35	15.00
E-5	5.86	5.88	5.10	8.86
E-4	3.02	3.17	3.19	4.02
E-3	1.48	1.92	2.07	1.66
E-2	.86	1.30	1.08	.72
At promotion in fiscal year 1980:				
E-9	22.43	20.65	21.72	22.91
E-8	18.78	17.58	17.64	20.11
E-7	12.50	13.13	11.75	16.83
E-6	7.78	7.88	6.82	12.88
E-5	3.54	3.73	3.51	5.76
E-4	1.71	2.15	2.49	2.71
E-3	1.06	1.27	1.19	.87
E-2	.51	.53	.57	.45

AVERAGE TIS AT PROMOTION

Year	E-9	E-8	E-7	E-6	E-5	E-4
Army:						
1964	NA	NA	NA	NA	NA	NA
1965	NA	NA	NA	NA	NA	NA
1966	NA	NA	NA	NA	NA	NA
1967	19.63	18.03	14.15	9.01	2.24	1.43
1968	20.71	17.94	14.39	7.98	1.89	1.40
1969	21.30	17.59	13.74	7.04	1.89	1.30
1970	21.25	18.35	13.60	5.70	1.75	1.30
1971	22.40	19.40	14.20	6.80	1.90	1.30
1972	21.60	18.40	12.80	7.60	2.30	1.30
1973	21.65	18.36	12.40	7.14	2.68	1.36
1974	20.62	17.16	13.81	6.97	2.84	1.49
1975	21.17	17.59	13.42	6.86	2.80	1.57
1976	22.90	18.23	13.52	6.78	3.58	1.72
1977	23.92	17.67	12.92	7.25	3.33	1.58
Navy:						
1964	19.20	17.40	14.51	9.11	4.78	2.90
1965	NA	NA	NA	NA	NA	NA
1966	19.95	18.32	14.05	9.48	4.59	2.04
1967	19.89	16.76	13.44	9.32	4.26	1.80
1968	19.94	18.08	13.34	9.05	3.21	1.76
1969	19.54	17.21	13.38	8.63	2.84	1.62
1970	19.32	16.93	13.59	8.39	2.85	1.55
1971	19.30	15.90	13.90	7.90	3.30	2.20
1972	19.08	16.92	14.42	8.42	3.50	2.00
1973	19.58	16.58	14.17	9.33	3.50	2.00
1974	19.58	16.58	14.16	7.75	3.50	2.08
1975	18.50	17.17	13.67	8.92	4.33	2.00
1976	19.25	17.00	14.42	8.67	3.92	2.50
1977	21.0	17.67	15.0	8.33	3.83	2.42
Marine Corps:						
1964	NA	NA	NA	NA	NA	NA
1965	NA	NA	NA	NA	NA	NA
1966	22.25	19.08	16.83	12.08	NA	NA
1967	23.42	19.66	14.75	9.58	4.50	2.40
1968	23.67	18.83	14.33	9.50	2.10	2.10
1969	24.33	18.92	12.08	6.67	2.30	1.40
1970	23.67	17.83	12.50	8.00	2.50	1.50
1971	22.23	20.50	16.17	9.42	2.19	1.20
1972	22.30	19.10	15.10	7.40	2.80	2.00
1973	22.40	19.00	14.90	8.10	3.20	2.30
1974	22.58	18.92	14.25	7.17	3.33	2.08
1975	21.33	18.50	14.25	6.83	4.00	2.75
1976	21.58	17.58	11.17	7.25	4.08	2.83
1977	21.58	17.58	11.17	7.25	4.08	2.83
Air Force:						
1964	17.80	17.10	12.51	9.70	6.30	3.70
1965	NA	NA	NA	NA	NA	NA
1966	18.63	17.89	14.94	12.32	7.78	3.89
1967	19.09	18.25	15.65	12.98	8.17	3.40
1968	19.81	18.75	16.01	13.46	8.40	2.82
1969	20.28	18.98	16.18	13.54	5.02	2.57
1970	20.41	18.87	16.34	13.56	4.45	2.43
1971	20.50	19.20	16.40	13.50	4.80	2.20
1972	21.60	19.30	18.50	15.70	4.70	2.20
1973	22.50	20.30	18.50	15.40	4.80	2.20
1974	22.33	20.17	18.25	14.75	5.17	2.25
1975	23.83	20.50	17.58	13.67	5.00	2.42
1976	24.00	21.83	17.67	13.33	5.58	2.50
1977	23.75	21.50	17.52	13.17	5.83	2.58

AVERAGE LENGTH OF SERVICE FOR PAY PURPOSES FOR COMMISSIONED OFFICERS

Service/grade	Fiscal year—								
	1972	1973	1974	1975	1976	1977	1978	1979	1980
Army:									
0-10	36.5	33.6	35.6	34.8	35.1	34.5	35.2	34.4	35.1
0-9	33.3	33.7	33.7	33.6	33.3	33.4	32.9	33.6	33.1
0-8	31.6	31.6	31.7	31.8	31.5	31.3	31.4	31.1	31.2
0-7	28.4	28.3	28.4	28.3	27.5	27.8	27.6	27.1	27.1
0-6	27.3	26.9	26.8	26.4	26.0	25.9	25.9	25.8	25.4
0-5	19.8	19.7	19.9	20.0	20.0	20.1	20.3	20.2	20.0
0-4	13.7	13.9	14.6	14.5	14.6	14.8	14.9	14.9	14.8
0-3	7.1	8.0	8.4	8.6	8.6	8.3	8.4	8.5	7.9
0-2	2.9	3.4	3.6	3.5	3.7	3.6	3.9	4.1	3.9
0-1	1.2	1.5	1.8	1.5	1.5	1.8	1.8	1.7	1.7
Marine Corps:									
0-10	34.5	35.5	36.5	37.5	35.7	36.9	37.0	36.6	37.6
0-9	33.8	33.1	33.8	34.9	35.5	36.1	35.6	35.2	35.7
0-8	32.5	32.6	32.9	33.4	33.7	33.1	31.4	31.4	32.3
0-7	30.4	30.9	31.4	30.8	29.0	28.3	28.5	29.2	29.1
0-6	28.2	28.0	27.4	27.0	26.8	27.1	27.3	27.4	27.2
0-5	21.9	22.0	22.0	21.9	21.9	21.9	21.8	21.5	21.4
0-4	16.4	16.6	16.9	16.8	17.4	17.5	17.3	16.6	16.1
0-3	11.1	11.5	11.5	11.9	11.2	11.0	11.2	11.0	10.7
0-2	4.8	5.4	5.4	6.1	6.6	6.7	6.5	6.2	6.2
0-1	2.6	3.4	4.2	3.6	3.2	3.2	2.9	2.9	2.8
Navy:									
0-10	35.9	35.6	35.8	36.8	36.8	37.2	37.4	37.1	37.4
0-9	33.7	32.8	32.5	32.1	32.8	32.3	31.8	32.1	32.3
0-8	33.7	33.0	32.7	32.5	32.1	32.8	32.5	32.9	33.0
0-7	29.7	29.3	29.2	29.1	29.4	29.4	29.3	29.2	29.2
0-6	27.0	26.3	25.8	25.6	25.3	25.6	25.9	25.8	25.8
0-5	19.9	19.9	20.0	20.2	20.1	20.2	20.1	19.8	19.6
0-4	15.0	15.0	14.8	14.7	14.5	14.8	14.4	14.4	14.5
0-3	8.4	8.2	8.0	8.3	8.4	8.7	8.9	8.9	8.6
0-2	4.1	5.2	5.1	4.8	5.0	5.4	5.3	5.3	5.3
0-1	2.0	3.2	2.2	1.9	2.2	2.8	3.0	3.1	3.2
Air Force:									
0-10	33.0	33.6	33.2	33.5	34.1	34.7	34.8	34.6	34.3
0-9	32.4	32.2	32.4	32.5	33.0	32.5	32.4	32.2	32.9
0-8	30.9	30.8	31.2	31.3	30.6	30.9	30.8	30.7	30.5
0-7	29.3	29.2	29.1	28.3	28.1	28.1	28.2	28.0	27.8
0-6	27.5	26.4	25.8	25.6	25.3	25.3	25.4	25.1	24.9
0-5	22.1	21.7	21.4	21.3	20.9	20.8	20.8	20.3	19.9
0-4	15.7	15.6	15.4	15.4	15.5	15.5	15.5	15.3	15.2
0-3	7.2	7.6	8.0	8.4	8.6	8.9	9.2	9.3	9.4
0-2	3.2	3.4	4.1	4.3	4.6	4.6	4.5	4.4	4.8
0-1	2.0	2.1	2.7	2.8	3.1	2.5	2.8	3.2	3.6

INCENTIVE PAY

Senator EXON. Please provide a detailed breakdown of incentive pays by Service, pay grade number eligible, numbers actually receiving incentive pays and the amount received within each grade, for fiscal years 1972–1980.

ARMY

General TICE. Incentive pays available to members of the Army include five categories of pay: flight-crew, flight-non crew, parachute, experimental stress and demolition. Although historical data for each is not maintained by actual grade, it is maintained by the average number and actual dollars paid to officers and enlisted personnel within each category. Eligibility for these incentive pays are predicated on the soldier possessing the requisite skills and occupying a validated position requiring that skill.

The table below depicts fiscal year 1972–80 data for each category of incentive pay. Data is a summation of active Army, Army Guard and Army Reserve recipients:

ARMY INCENTIVE PAY—1972-80

Fiscal year	Flight crew	Flight non crew	Parachute	Experimental stress[1]	Demolition
1972:					
Officers:					
Number	28,395	324	5,976	3	246
Amount	$48.7	$0.4	$6.5	----------	$0.3
Enlisted:					
Number	6,954	4,084	33,746	51	1,341
Amount	$5.9	$2.7	$19.5	----------	$0.9
1973:					
Officers:					
Number	25,718	228	5,566	2	226
Amount	$44.3	$0.3	$6.0	----------	$0.3
Enlisted:					
Number	4,840	3,232	33,801	50	1,224
Amount	$3.9	$2.1	$19.6	----------	$0.8
1974:					
Officers:					
Number	38,120	199	4,800	1	180
Amount	$39.0	$0.3	$5.0	----------	$0.2
Enlisted:					
Number	4,045	2,760	29,936	39	1,039
Amount	$3.4	$1.8	$17.1	----------	$0.7
1975:					
Officers:					
Number	22,120	248	3,867	1	163
Amount	$40.4	$0.3	$3.9	----------	$0.2
Enlisted:					
Number	4,174	2,789	27,696	65	900
Amount	$3.7	$1.8	$15.9	----------	$0.6
1976:					
Officers:					
Number	19,681	226	3,409	1	164
Amount	$38.1	$0.3	$3.5	----------	$0.2
Enlisted:					
Number	4,880	2,694	25,694	37	807
Amount	$3.8	$1.8	$15.0	----------	$0.5
1977 T:					
Officer:					
Number	19,513	190	3,286	1	156
Amount	$9.3	$0.1	$0.8	----------	$0.1
Enlisted:					
Number	4,867	2,667	26,089	35	706
Amount	$0.9	$0.4	$3.7	----------	$0.1
1977:					
Officer:					
Number	20,388	181	3,264	1	131
Amount	$38.7	$0.2	$3.2	----------	$0.2
Enlisted:					
Number	4,993	2,656	27,220	32	614
Amount	$3.7	$1.8	$15.8	----------	$0.4
1978:					
Officer:					
Number	18,675	236	3,478	2	145
Amount	$35.4	$0.3	$3.5	----------	$0.2
Enlisted:					
Number	5,092	2,674	28,596	30	713
Amount	$3.7	$1.8	$16.7	----------	$0.5
1979:					
Officer:					
Number	18,002	249	3,566	1	136
Amount	$33.9	$0.3	$3.6	----------	$0.2
Enlisted:					
Number	5,292	2,609	28,020	38	697
Amount	$3.9	$1.7	$16.3	----------	$0.5
1980:					
Officer:					
Number	17,166	265	3,545	1	137
Amount	$32.6	$0.4	$3.7	----------	$0.2
Enlisted:					
Number	554	2,505	28,463	30	705
Amount	$4.3	$1.7	$16.7	----------	$0.5

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[1] Less than $40,000.

General Tice.

NAVY INCENTIVE PAY—1972-80

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
OFFICERS			
1972 Actual			
Flying duty:			
Crew:			
Flag officer O-10	3	$1, 980	$6
Flag officer O-9	19	1, 980	38
Flag officer O-8	34	1, 980	67
Flag Officer O-7	58	1, 920	111
Captain	1, 428	2, 940	4, 198
Commander	3, 200	2, 866	9, 171
Lieutenant commander	3, 661	2, 633	9, 640
Lieutenant	6, 743	2, 081	14, 033
Lieutenant (jg)	4, 147	1, 632	6, 767
Ensign	2, 118	1, 275	2, 701
Warrant officer:			
W-4	1	1, 980	2
W-2	1	1, 620	2
Total	21, 413		46, 736
Noncrew	177	1, 320	234
Total	21, 590		46, 970
Submarine duty:			
Flag officer	6	1, 980	12
Captain	51	2, 939	150
Commander	234	2, 863	671
Lieutenant commander	639	2, 630	1, 681
Lieutenant	915	2, 128	1, 948
Leiutenant (jg)	793	1, 632	1, 296
Ensign	20	1, 276	26
Warrant officer:			
W-3	1	1, 680	2
W-2	1	1, 620	2
W-1			
Total	2, 660		5, 788
Parachute jumping	185	1, 320	244
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	38	1, 320	50
Demolition duty	198	1, 320	261
Flight deck duty	292	1, 320	385
Total			53, 698
1973 Actual			
Flying duty:			
Crew:			
Flag officer O-10	5	1, 980	10
Flag officer O-9	17	1, 980	34
Flag officer O-8	37	1, 980	73
Flag officer O-7	56	1, 920	108
Captain	1, 312	2, 939	3, 856
Commander	3, 107	2, 880	8, 948
Lieutenant commander	3, 843	2, 628	10, 100
Lieutenant	6, 380	2, 108	13, 446
Lieutenant (j.g.)	3, 283	1, 716	5, 634
Ensign	2, 502	1, 317	3, 296
Warrant officer:			
W-4			
W-2	1	1, 620	2
Total	20, 543		45, 507
Noncrew	159	1, 320	210
Total	20, 702		45, 717
Submarine duty:			
Flag officer	6	1, 930	12
Captain	42	2, 939	123
Commander	282	2, 880	812
Lieutenant commander	711	2, 628	1, 869
Lieutenant	921	2, 108	1, 941
Lieutenant (j.g.)	878	1, 716	1, 507
Ensign	46	1, 317	61
Warrant officer:			
W-3	1	1, 680	2
W-2	41	1, 620	66
W-1	20	1, 560	31
Total	2, 948		6, 424

NAVY INCENTIVE PAY—1972-80—Continued

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
Parachute jumping	179	$1,320	$236
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	39	1,320	51
Demolition duty	192	1,320	253
Flight deck duty	369	1,320	487
Total			53,168
1974 Actual			
Flying duty:			
Crew:			
Flag officer O-10	3	1,980	5
Flag officer O-9	14	1,980	28
Flag officer O-8	14	1,980	28
Flag officer O-7	313	2,752	861
Captain	2,995	2,850	2,535
Commander	3,766	2,656	10,022
Lieutenant commander	5,533	2,151	11,902
Lieutenant	3,371	1,745	5,881
Lieutenant (jg)	3,067	1,312	4,022
Ensign			
Warrant officer:			
W-4			
W-2			
Total	19,076		41,264
Noncrew	96		127
Total	19,172		41,391
Submarine duty:			
Flag officer	6	1,930	12
Captain	46	2,938	135
Commander	270	2,886	779
Lieutenant commander	667	2,635	1,758
Lieutenant	849	2,123	1,802
Lieutenant (j.g.)	887	1,758	1,542
Ensign	38	1,327	50
Warrant officer:			
W-3	2	1,680	3
W-2	41	1,620	66
W-1	20	1,560	31
Total	2,816		6,178
Parachute jumping	172	1,320	227
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	43	1,320	57
Demolition duty	192	1,320	253
Flight deck duty	324	1,320	428
Total			48,534
1975 Actual			
Flying duty:			
Commissioned officers (monthly rate):			
$100	4,762	1,200	5,714
$125	1,783	1,500	2,674
$150	1,481	1,800	2,665
$165	3,237	1,980	6,410
$185	409	2,220	908
$205	578	2,460	1,421
$225	1,748	2,700	4,720
$245	6,575	2,940	19,331
Total	20,573		43,843
Noncrew	80	1,320	106
Total	20,653		43,949
Submarine duty:			
Flag officer	6	1,930	12
Captain	45	2,939	132
Commander	254	2,900	737
Lieutenant commander	609	2,643	1,610
Lieutenant	765	2,144	1,640
Lieutenant (jg)	883	1,770	1,563
Ensign	34	1,298	44
Warrant officer:			
W-3	2	1,680	3
W-2	36	1,620	58
W-1	15	1,560	23
Total	2,649		5,822

NAVY INCENTIVE PAY—1972-80—Continued

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
Parachute jumping	185	$1,320	$244
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	52	1,320	69
Demolition duty	226	1,320	298
Flight deck duty	307	1,320	405
Total			50,787
1976 Actual			
Flying duty:			
Commissioned officers (monthly rate):			
$100	4,151	1,200	4,981
$125	2,103	1,500	3,154
$150	1,394	1,800	2,509
$165	3,315	1,980	6,564
$185	409	2,220	777
$205	596	2,460	1,466
$225	1,502	2,700	4,055
$245	6,136	2,940	18,040
Total	19,547		41,546
Noncrew	58	1,320	77
Total	19,605		41,623
Submarine duty:			
Flag officer	6	1,930	12
Captain	41	2,939	121
Commander	253	2,852	722
Lieutenant commander	613	2,628	1,611
Lieutenant	617	2,232	1,377
Lieutenant (jg.)	897	1,807	1,621
Ensign	195	1,283	250
Warrant officer:			
W-3	6	1,680	10
W-2	30	1,597	48
W-1	10	1,538	15
Total	2,668		5,787
Parachute jumping	146	1,320	193
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	56	1,320	74
Demolition duty	210	1,320	277
Flight deck duty	307	1,320	405
Total			48,359
1977 Actual			
Flying duty:			
Commissioned officers (monthly rate):			
$100	2,600	1,200	3,120
$125	1,265	1,500	1,898
$150	1,398	1,800	2,516
$165	3,429	1,980	6,789
$185	358	2,220	795
$205	761	2,460	1,872
$225	1,135	2,700	3,065
$245	7,291	2,940	21,437
Total	18,237		41,429
Noncrew	100	1,320	132
Total	18,337		41,624
Submarine duty:			
Flag officer	5	1,930	10
Captain	49	2,940	144
Commander	262	2,873	753
Lieutenant commander	543	2,638	1,432
Lieutenant	682	2,248	1,534
Lieutenant (jg.)	756	1,803	1,363
Ensign	333	1,319	439
Warrant officer:			
W-3	2	1,979	4
W-2	11	1,680	18
W-1	7	1,595	11
Total	2,650		5,708

NAVY INCENTIVE PAY—1972-80—Continued

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
Parachute jumping	146	$1,320	$193
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	56	1,320	74
Demolition duty	210	1,320	277
Flight deck duty	280	1,320	370
Total			48,246
1978 Actual			
Flying duty:			
Commissioned officers (monthly rate):			
$100	2,657	1,200	3,188
$125	1,123	1,500	1,685
$150	1,396	1,800	2,513
$165	2,632	1,980	5,211
$185	467	2,220	1,037
$205	860	2,460	2,116
$225	859	2,700	2,319
$245	7,255	2,940	21,330
Total	17,249		39,399
Noncrew	100	1,320	132
Total	17,349		39,531
Submarine duty:			
Flag officer	6	1,930	12
Captain	50	2,940	147
Commander	275	2,836	780
Lieutenant commander	642	2,579	1,656
Lieutenant	611	2,196	1,342
Lieutenant (jg.)	839	1,748	1,467
Ensign	350	1,383	484
Warrant officer:			
W-4	5	1,980	10
W-3	10	1,680	17
W-2	10	1,620	16
Total	2,798		5,931
Parachute jumping	171	1,320	226
Duty inside a high or low pressure chamber inside observer, human acceleration or deceleration experimental observer and test subject in thermal stress experiments	57	1,320	75
Demolition duty	287	1,320	379
Flight deck duty	250	1,320	330
Total			46,472
1979 Actual			
Flying duty:			
Commissioned officers (monthly rate):			
$100	2,302	1,200	2,762
$125	995	1,500	1,493
$150	1,220	1,800	2,196
$165	2,367	1,980	4,687
$185	620	2,220	1,376
$205	759	2,460	1,867
$225	707	2,700	2,125
$245	7,020	2,940	20,639
Total	16,870		37,145
Noncrew	100	1,320	132
Total	16,170		37,277
Submarine duty:			
Flag officer	5	1,920	10
Captain	48	2,940	141
Commander	277	2,814	780
Lieutenant commander	549	2,574	1,413
Lieutenant	673	2,192	1,475
Lieutenant (jg.)	788	1,742	1,373
Ensign	386	1,374	530
Warrant officer:			
W-4	5	1,980	10
W-3	8	1,680	13
W-2	11	1,628	18
Total	2,750		5,763

NAVY INCENTIVE PAY—1972-80—Continued

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
Parachute jumping	202	$1,320	$267
Duty inside a high or low pressure chamber inside observer, human acceleration or deceleration experimental observer and test subject in thermal stress experiments	57	1,320	75
Demolition duty	337	1,320	445
Flight deck duty	270	1,320	356
Total			44,183
1980 Actual			
Flying duty:			
Commissioned officers (monthly rate):			
$100	2,391	1,225	2,929
$125	1,145	1,531	1,753
$150	1,074	1,838	1,974
$165	2,421	2,021	4,983
$185	604	2,266	1,369
$205	594	2,511	1,491
$225	669	2,756	1,844
$245	6,742	3,001	20,233
Total	15,640		38,486
Noncrew	100	1,320	132
Total	15,740		36,618
Submarine duty:			
Flag officer	6	1,920	12
Captain	52	2,940	153
Commander	283	2,832	801
Lieutenant commander	557	2,582	1,438
Lieutenant	693	2,184	1,514
Lieutenant (jg.)	803	1,738	1,396
Ensign	400	1,386	554
Warrant officer:			
W-4	4	1,980	8
W-3	4	1,680	7
W-2	12	1,620	19
Total	2,814		5,902
Parachute jumping	201	1,320	265
Duty inside a high or low pressure chamber inside observer, human acceleration or deceleration experimental observer and test subject in thermal stress experiments	57	1,320	75
Demolition duty	325	1,320	429
Flight deck duty	270	1,320	356
Total			43,645

ENLISTED INCENTIVE PAY—1972-80

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
1972 Actual			
Flying duty:			
Crew: Pay grade:			
E-9	38	$1,260	$48
E-8	197	1,260	249
E-7	1,138	1,255	1,428
E-6	2,609	1,143	2,982
E-5	2,240	956	2,142
E-4	1,786	782	1,398
E-3	544	694	378
E-2	11	616	7
Total	8,563		8,632
Noncrew	1,365	660	901
Total	9,928		9,533
Submarine duty: Pay grade:			
E-9	46	1,260	58
E-8	803	1,260	1,012
E-7	1,763	1,255	2,212
E-6	4,150	1,143	4,742
E-5	5,574	963	5,370
E-4	4,962	782	3,878
E-3	2,430	694	1,683
Total	19,728		18,955

ENLISTED INCENTIVE PAY—1972-80—Continued

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
Parachute jumping	767	$860	$506
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	186	660	123
Demolition duty	728	660	480
Flight deck duty	7,901	660	5,174
Total			34,771
1973 Actual			
Flying duty:			
Crew: Pay grade:			
E-9	40	1,260	50
E-8	191	1,260	240
E-7	1,038	1,260	1,301
E-6	2,560	1,154	2,947
E-5	2,122	969	2,050
E-4	1,509	777	1,173
E-3	420	694	291
E-2	30	615	19
Total	7,910		8,071
Noncrew	1,082	660	714
Total	8,992		8,785
Submarine duty: Pay grade:			
E-9	46	1,260	58
E-8	862	1,260	1,086
E-7	1,556	1,260	1,961
E-6	4,408	1,154	5,089
E-5	5,675	975	5,534
E-4	4,905	777	3,810
E-3	2,260	694	1,568
Total	19,712		19,106
Parachute jumping	744	660	491
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	166	660	110
Demolition duty	605	660	399
Flight deck duty	8,998	660	5,939
Total			34,830
1974 Actual			
Flying duty:			
Crew: Pay grade:			
E-9	43	1,260	54
E-8	170	1,260	214
E-7	963	1,259	1,212
E-6	2,308	1,157	2,667
E-5	2,146	974	2,089
E-4	1,292	783	1,012
E-3	590	687	405
E-2	80	641	51
Total	7,592		7,704
Noncrew	891	660	588
Total	8,483		8,292
Submarine duty: Pay grade:			
E-9	56	1,260	71
E-8	919	1,260	1,158
E-7	1,577	1,259	1,985
E-6	4,383	1,157	5,071
E-5	5,795	979	5,673
E-4	4,633	783	3,627
E-3	1,795	687	1,233
Total	19,158		18,818
Parachute jumping	693	660	457
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	173	660	114
Demolition duty	636	660	420
Flight deck duty	7,702	660	5,083
Total			33,184

ENLISTED INCENTIVE PAY—1972-80—Continued

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
1975 Actual			
Flying duty:			
Crew: Pay grade:			
E-9	37	$1,260	$47
E-8	170	1,260	215
E-7	930	1,256	1,168
E-6	2,067	1,159	2,395
E-5	2,296	970	2,226
E-3	1,284	789	1,013
E-2	652	695	448
Total	7,436		7,512
Noncrew	838	660	553
Total	8,274		8,065
Submarine duty: Pay grade:			
E-9	60	1,260	76
E-8	924	1,260	1,164
E-7	1,596	1,258	2,008
E 5	4,302	1,156	4,972
E-5	5,907	978	5,777
E-4	4,652	783	3,643
E-3	1,712	686	1,175
Total	19,158		18,815
Parachute jumping	497	660	328
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	160	660	106
Demolition duty	497	660	328
Flight deck duty	7,643	660	5,044
Total			32,686
1976 Actual			
Flying duty:			
Crew: Pay grade:			
E-9	31	1,260	39
E-8	171	1,254	215
E-7	847	1,248	1,057
E-6	2,054	1,149	2,360
E-5	2,214	977	2,163
E-4	1,607	781	1,256
E-3	499	695	347
E-2	60	620	
Total	7,483		7,474
Noncrew	755	660	498
Total	8,238		7,972
Submarine duty: Pay grade:			
E-9	60	1,260	76
E-8	928	1,254	1,164
E-7	1,644	1,248	2,052
E-6	4,234	1,148	4,859
E-5	5,896	979	5,770
E-4	4,782	783	3,742
E-3	1,691	691	1,168
Total	19,235		18,830
Parachute jumping	495	660	328
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	166	660	110
Demolition duty	495	660	328
Flight deck duty	7,520	660	4,963
Total			32,531
1977 Actual			
Flying duty:			
Crew: Pay grade:			
E-9	35	1,260	44
E-8	196	1,260	247
E-7	826	1,256	1,038
E-6	2,068	1,152	2,383
E-5	2,203	969	2,132
E-4	1,308	789	1,033
E-3	566	690	391
E-2	84	616	52
Total	7,286		7,320
Noncrew	782	660	516
Total	8,068		7,836

ENLISTED INCENTIVE PAY—1972-80—CONTINUED

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
Submarine duty: Pay grade:			
E-9	160	$1,260	$202
E-8	831	1,260	1,047
E-7	1,729	1,250	2,161
E-6	3,950	1,099	4,340
E-5	6,321	935	5,908
E-4	4,425	770	3,409
E-3	1,830	686	1,255
Total	19,246		18,322
Parachute jumping	582	660	384
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	164	660	108
Demolition duty	673	660	444
Flight deck duty	6,727	660	4,440
Total			31,534
1978 Actual			
Flying duty:			
Crew: pay grade:			
E-9	37	1,260	47
E-8	205	1,260	258
E-7	869	1,256	1,092
E-6	2,148	1,143	2,454
E-5	2,287	963	2,202
E-4	1,212	796	964
E-3	807	689	556
E-2	261	618	160
Total	7,826		7,733
Noncrew	500	660	330
Total	8,326		8,063
Submarine duty: Pay grade:			
E-9	185	1,260	233
E-8	539	1,260	679
E-7	1,887	1,250	2,359
E-6	3,735	1,074	4,011
E-5	6,976	913	6,370
E-4	4,030	774	3,120
E-3	2,553	687	1,755
Total	19,905		18,527
Parachute jumping	588	660	388
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments	165	660	109
Demolition duty	643	660	424
Flight deck duty	6,850	660	4,521
Total			32,032
Flying duty:			
Crew: Pay grade:			
E-9	33	1,260	42
E-8	191	1,260	241
E-7	860	1,245	1,071
E-6	2,275	1,089	2,478
E-5	2,133	921	1,966
E-4	1,272	774	985
E-3	811	690	560
E-2	183	612	112
Total	7,758		7,455
Noncrew	394	660	260
Total	8,152		7,715
Submarine duty: Pay grade:			
E-9	149	1,260	188
E-8	482	1,260	607
E-7	1,615	1,245	2,011
E-6	3,183	1,889	3,467
E-5	7,479	921	6,894
E-4	4,479	774	3,467
E-3	3,053	665	2,082
Total	20,440		18,666

ENLISTED INCENTIVE PAY—1972-80—Continued

Incentive pay for hazardous duty	Number paid	Annual rate	Annual cost (thousands)
Parachute jumping	614	660	405
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments.	148	660	98
Demolition duty	676	660	446
Flight deck duty	7, 200	660	4, 752
Total			32, 082
1980 Actual			
Flying duty:			
Crew: Pay grade:			
E-9	34	$1, 286	44
E-8	184	1, 286	237
E-7	865	1, 283	1, 110
E-6	2, 393	1, 158	2, 771
E-5	2, 041	985	2, 010
E-4	1, 307	812	1, 061
E-3	571	711	406
E-2	254	635	161
Total	7, 649		7, 800
Noncrew	387	660	262
Total	8, 046		8, 062
Submarine duty: Pay grade:			
E-9	2, 224	1, 246	2, 780
E-8	2, 907	1, 086	3, 157
E-7	7, 488	923	6, 911
E-6	4, 710	776	3, 655
E-5	1, 785	658	1, 175
E-4	851	615	523
E-3	501	601	301
Total	20, 466		18, 502
Parachute jumping	740	660	488
Duty inside a high or low pressure chamber, human acceleration or deceleration experimental subject and human test subject in thermal stress experiments	160	660	106
Demolition duty	825	660	545
Flight deck duty	6, 819	660	4, 501
Total			32, 20

MARINE CORPS

General TICE. For the Marine Corps, the available data on incentive pays are provided in the following exhibits.

EXHIBIT 1

OFFICER INCENTIVE PAY

[In thousands of dollars; fiscal years]

	1972		1973		1974		1975		1976		1977		1978		1979		1980	
	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount
1. Flying duty:																		
a Crew members:[2]																		
O-6/7+	249	704	210	594	95	271	NA	NA	NA	NA	NA	NA	124	NA	100	NA	100	NA
O-5	511	1,483	531	1,556	485	1,422	NA	NA	NA	NA	NA	NA	522	NA	469	NA	477	NA
O-4	1,008	2,666	946	2,572	920	2,515	NA	NA	NA	NA	NA	NA	965	NA	1,133	NA	1,047	NA
O-3	1,930	4,195	1,896	4,138	1,865	4,140	NA	NA	NA	NA	NA	NA	1,660	NA	1,645	NA	1,395	NA
O-2	2,077	3,393	1,863	3,243	1,624	2,891	NA	NA	NA	NA	NA	NA	1,378	NA	1,399	NA	1,311	NA
O-1	805	1,043	641	848	797	1,068	NA	NA	NA	NA	NA	NA	425	NA	416	NA	387	NA
WO	67	112	59	106	56	102	NA	NA	NA	NA	NA	NA	27	NA	59	NA	34	NA
Total	6,647	13,596	6,146	13,057	5,842	12,409	5,733	12,922	5,607	12,508	5,504	11,715	5,101	11,322	5,221	11,495	4,721	10,492
b Noncrew members[3]	53	70	63	83	63	83	115	152	110	145	69	91	85	112	90	119	82	110
2. Parachute jumping pay[3]	107	141	45	59	66	87	42	55	68	90	60	79	71	94	65	86	72	95
3. Demolition duty pay[3]	42	55	17	22	45	59	43	57	46	61	46	61	46	61	41	54	44	58
Total, officers	6,849	13,862	6,271	13,221	6,016	12,638	5,933	13,186	5,831	12,804	5,679	11,946	5,303	11,589	5,417	11,754	4,919	10,755

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[1] Number of individuals who received incentive pays.

[2] By grade, data from fiscal year 1975–77 not available.

[3] By grade data not available.

EXHIBIT 2

ENLISTED INCENTIVE PAY

[In thousands of dollars; fiscal years]

	1972		1973		1974		1975		1976		1977		1978		1979		1980	
	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount
1. Flying duty:																		
a Crew members:																		
E-9	10	13	7	9	7	9	7	9	7	9	7	9	7	9	8	10	4	5
E-8	35	44	25	21	25	32	23	29	23	29	29	36	29	36	29	36	13	16
E-7	445	561	346	434	311	290	292	366	266	332	254	317	250	312	249	311	224	286
E-6	452	552	378	420	315	355	295	328	247	275	261	290	257	286	250	278	241	274
E-5	584	682	519	480	410	380	284	340	321	283	371	324	365	322	361	319	361	326
E-4	509	481	454	352	356	273	334	236	279	198	305	216	301	213	299	212	299	216
E-3	351	310	30	212	245	167	230	154	230	154	189	126	185	124	182	122	181	124
E-2	70	50	53	33	49	30	46	28	46	28	29	18	29	18	30	18	13	8
E-1	12	8	9	5	9	5	8	5	9	5	7	4	7	4	8	5	4	2
Total	2,486	2,701	2,101	1,977	1,727	1,641	1,619	1,495	1,428	1,313	1,412	1,340	1,436	1,324	1,416	1,311	1 340	1,527
b Noncrew members:[2]																		
E-9															2	1		
E-8													11	7	10	7	5	3
E-7													29	19	32	21	25	17
E-6													61	40	66	44	66	44
E-5													155	102	150	99	149	98
E-4													254	168	232	153	147	97
E-3													177	117	176	116	154	102
E-2													28	18	20	13	18	12
E-1													4	3	3	2	1	1
Total, flying pay	1,3[illegible]	970	1,2[illegible]3	794	1,007	665	898	593	721	476	716	472	719	474	691	456	565	374

2. Parachute jumping pay:[2]																		
E-9													1	1				
E-8													6	4	6	4	6	4
E-7													13	8	11	7	13	8
E-6													48	32	42	28	47	31
E-5													125	82	91	60	105	69
E-4													138	91	134	88	139	92
E-3													136	90	135	89	151	100
E-2													30	20	28	19	36	24
E-1													3	2	3	2	3	2
Total, parachute pay	580	383	274	181	274	181	252	166	516	341	493	325	500	330	450	297	500	330
3. Experimental stress[3]	10	7	10	7	10	7	10	7	10	7	0	0	0	0	0	0	0	0
4. Submarine duty pay E-4	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0
5. Demolition duty pay:[2]																		
E-9													4	3	5	3	6	4
E-8													11	7	10	6	9	6
E-7													30	20	30	20	32	21
E-6													42	28	43	28	44	29
E-5													59	39	60	40	58	38
E-4													7	4	11	7	14	9
E-3													6	4	3	2	2	2
E-2													2	1	1	1		
E-1															1	1		
Total, demolition pay	162	107	162	67	188	124	186	123	170	112	156	103	161	106	164	108	165	109
Total, enlisted	4,623	4,168	3,750	3,026	3,206	2,618	2,965	2,384	2,845	2,249	2,777	2,240	2,817	2,235	2,721	2,172	2,570	2,340

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[1] Number of individuals who received incentive pays.

[2] By grade data from fiscal year 1972-77 not available.

[3] By grade data not available.

DISTRIBUTION OF VHA PAID TO GENERAL OFFICERS

Senator EXON. Please have each Service provide a table showing the distribution of Variable Housing Allowances paid to general officers. Please show the number who receive no VHA and the number who fall within regular increments.

ANSWER. The requested information follows:

	BAQ multipliers received by general and flag officers											
	0	0.05	0.10	0.15	0.20	0.25	0.30	0.35	0.40	0.45	0.50	0.55 and above
Army	318	0	0	4	8	1	0	3	1	0	96	0
Navy	146	0	0	0	0	0	6	1	0	0	108	0
Marine Corps	54	0	0	0	0	0	0	0	0	0	12	0
Air Force	284	2	5	0	8	1	0	0	0	0	60	0
Total	802	2	5	4	16	2	6	4	1	0	276	0

RATES OF VARIABLE HOUSING ALLOWANCE PAID BY SERVICE, AREA, AND GRADE

Senator EXON. Please provide, by Service, the rates paid by area and by grade of Variable Housing Allowance. This should be a comprehensive presentation including all major areas where VHA is paid and the BAQ multipliers by pay grade.

ANSWER. A list of Military Housing Areas (MHA's) and BAQ multipliers is enclosed. No differentiation by service is made among the multipliers—in other words if members from more than one service are in an MHA, they will all receive the same VHA.

BAQ MULTIPLIERS FOR EACH MHA

MHA No. and MHA name		MHA code	BAQ multipliers				
			1—E1-E3	2—E4-E6	3—E7-E9	4—W1-W3, 01-03	5—W4, 04-010
1	Anniston Army Depot/Fort McClellan, Ala	AL01	0.20	0.10	0.20	0.05	0.15
2	Fort Rucker, Ala	AL02	.25	.15	.20	.05	.15
3	Huntsville, Ala	AL03	.20	.10	.20	.00	.05
4	Mobile, Ala	AL04	.20	.10	.20	.05	.10
5	Montgomery, Ala	AL05	.35	.25	.25	.10	.20
6	Auburn, Ala	AL06	.30	.20	.20	.05	.10
7	Birmingham, Ala	AL07	.35	.25	.30	.20	.20
8	Tuscaloosa County, Ala	AL50	.35	.25	.30	.20	.20
9	Blytheville AFB, Ark	AR01	.30	.20	.15	.00	.00
10	Little Rock, Ark	AR02	.35	.25	.20	.05	.05
11	Jefferson County, Ark	AR50	.35	.25	.20	.05	.05
12	Washington County, Ark	AR51	.25	.15	.20	.00	.05
13	Phoenix, Ariz	AZ01	.65	.50	.40	.25	.20
14	Fort Huachuca, Ariz	AZ02	.25	.15	.20	.10	.10
15	Davis-Monthan AFB, Ariz	AZ03	.45	.30	.20	.15	.15
16	Yuma, Ariz	AZ04	.50	.35	.30	.20	.20
17	Navajo County, Ariz	AZ50	.30	.20	.20	.05	.10
18	Oakland, Calif	CA01	.60	.45	.50	.40	.50
19	San Francisco, Calif	CA02	.50	.35	.50	.30	.40
20	Castle AFB, Calif	CA03	.55	.40	.30	.15	.15
21	China Lake Naval Weapons Center, Calif	CA04	.50	.35	.40	.20	.30
22	Fresno, Calif	CA05	.50	.35	.45	.25	.35
23	Lemore NAS, Calif	CA06	.30	.20	.30	.15	.25
24	Camp Pendleton, Calif	CA07	.60	.45	.40	.35	.45
25	Ventura, Calif	CA08	.75	.60	.50	.40	.50
26	Vandenberg AFB, Calif	CA09	.60	.45	.40	.15	.25
27	Marin/Sonoma, Calif	CA10	.35	.30	.35	.35	.45
28	Barstow, Calif	CA11	.30	.20	.15	.05	.10
29	George AFB, Calif	CA13	.65	.50	.40	.25	.25
30	Edwards AFB, Calif	CA14	.50	.35	.40	.20	.30
31	San Bernadino, Calif	CA15	.55	.40	.45	.25	.35
32	Twenty Nine Palms MCB, Calif	CA16	.30	.20	.15	.05	.10
33	Beale AFB, Calif	CA17	.35	.25	.20	.10	.20
34	Sacramento, Calif	CA19	.35	.25	.35	.15	.25
35	Stockton, Calif	CA20	.45	.30	.30	.15	.20
36	Vallejo/Travis AFB, Calif	CA21	.40	.30	.40	.25	.30
37	Los Angeles, Calif	CA23	.60	.50	.60	.50	.50
38	San Diego, Calif	CA24	.65	.40	.50	.40	.50
39	Monterey, Calif	CA25	.65	.50	.55	.40	.50
40	Bakersfield, Calif	CA26	.50	.35	.40	.20	.30
41	Riverside, Calif	CA30	.55	.40	.50	.25	.35

BAQ MULTIPLIERS FOR EACH MHA—Continued

MHA No. and MHA name	MHA code	BAQ multipliers 1—E1-E3	2—E4-E6	3—E7-E9	4—W1-W3,01-03	5—W4, 04-010
42 Humboldt County, Calif	CA50	.35	.25	.25	.10	.15
43 San Mateo County, Calif	CA75	.50	.35	.50	.30	.40
44 Santa Clara County, Calif	CA76	.80	.65	.75	.45	.55
45 Denver, Colo	CO01	.60	.50	.60	.20	.25
46 Colorado Spring, Colo	CO02	.30	.30	.40	.10	.10
47 Larimer County, Colo	CO50	.35	.25	.30	.15	.20
48 Otero County, Colo	CO51	.30	.20	.25	.10	.15
49 New London, Conn	CT01	.45	.30	.20	.40	.30
50 Hartford, Conn	CT02	.70	.55	.45	.55	.45
51 New Haven, Conn	CT03	.45	.30	.35	.35	.45
52 Fairfield, Conn	CT50	.45	.30	.35	.35	.45
53 Washington metro area, D.C	DC01	.65	.50	.55	.40	.50
54 Dover AFB, Del	DE01	.40	.30	.25	.20	.10
55 Rehoboth Beach, Del	DE02	.45	.30	.30	.15	.20
56 Eglin AFB, Fla	FL01	.50	.35	.25	.15	.20
57 Gainsville, Fla	FL03	.45	.30	.35	.20	.25
58 Jacksonville, Fla	FL04	.45	.30	.35	.20	.30
59 Patrick AFB, Fla	FL05	.70	.55	.50	.25	.25
60 Miami, Fla	FL06	.60	.50	.40	.20	.30
61 Fort Lauderdale, Fla	FL07	.85	.70	.65	.55	.65
62 Orlando, Fla	FL08	.65	.50	.40	.20	.25
63 Panama City, Fla	FL09	.35	.25	.20	.05	.05
64 Pensacola, Fla	FL10	.30	.20	.20	.10	.20
65 Tallahassee, Fla	FL12	.35	.25	.30	.15	.20
66 Tampa, Fla	FL13	.30	.20	.30	.25	.35
67 West Palm Beach, Fla	FL14	.60	.45	.50	.30	.40
68 Astor, Fla	FL15	.30	.20	.25	.05	.15
69 Key West, Fla	FL16	.60	.50	.40	.20	.30
70 Volusia County, Fla	FL50	.30	.20	.25	.05	.15
71 Atlanta, Ga	GA01	.45	.30	.25	.15	.15
72 Albany, Ga	GA02	.35	.25	.25	.10	.15
73 Fort Gordon, Ga	GA03	.30	.20	.20	.05	.10
74 Kings Bay/Brunswick, Ga	GA04	.30	.20	.25	.30	.25
75 Fort Benning, Ga	GA05	.15	.10	.10	.00	.00
76 Robins AFB, Ga	GA06	.25	.15	.20	.05	.00
77 Savannah, Ga	GA07	.35	.25	.15	.05	.05
78 Athens, Ga	GA08	.35	.25	.30	.15	.20
79 Dahlonegh, Ga	GA09	.25	.15	.15	.00	.05
80 Fort Stewart, Ga	GA10	.35	.25	.15	.05	.05
81 Moody AFB, Ga	GA11	.25	.15	.20	.05	.10
82 Des Moines, Iowa	IA01	.45	.30	.40	.20	.20
83 Story County, Iowa	IA51	.45	.30	.40	.20	.20
84 Boise, Idaho	ID01	.35	.25	.30	.15	.20
85 Idaho Falls, Idaho	ID02	.30	.20	.15	.00	.00
86 Mountain Home AFB, Idaho	ID03	.20	.15	.20	.00	.00
87 Bannock County, Idaho	ID50	.45	.30	.30	.15	.20
88 Chanute AFB, Ill	IL01	.15	.05	.10	.00	.05
89 Rock Island, Ill	IL02	.30	.20	.25	.10	.15
90 Peoria, Ill	IL03	.45	.30	.35	.15	.25
91 Chicago, Ill	IL05	.40	.30	.30	.20	.20
92 Great Lakes Naval Training Center, Ill	IL06	.35	.25	.30	.30	.40
93 Scott AFB, Ill	IL08	.45	.30	.25	.15	.20
94 Indianapolis/Fort Ben Harrison, Ind	IN01	.30	.20	.15	.10	.15
95 Grissom AFB, Ind	IN02	.25	.15	.20	.00	.00
96 Lafayette, Ind	IN03	.35	.25	.30	.15	.20
97 Allen County, Ind	IN50	.45	.30	.30	.15	.20
98 Monroe County, Ind	IN51	.30	.20	.15	.10	.15
99 St. Joseph County, Ind	IN52	.35	.25	.30	.15	.20
100 Fort Riley, Kans	KS01	.20	.10	.10	.05	.10
101 Wichita/McConnell AFB, Kans	KS02	.45	.30	.25	.15	.20
102 Fort Leavenworth, Kans	KS03	.30	.20	.20	.05	.10
103 Kansas City, Kans	KS04	.55	.40	.35	.30	.20
104 Douglas County, Kans	KS50	.45	.30	.35	.20	.25
105 Shawnee County, Kans	KS51	.45	.30	.35	.20	.25
106 Fort Campbell, Ky	KY01	.25	.15	.20	.00	.00
107 Lexington, Ky	KY02	.35	.25	.25	.10	.15
108 Richmond, Ky	KY03	.35	.25	.25	.10	.15
109 Louisville, Ky	KY04	.25	.15	.15	.00	.05
110 Fort Knox, Ky	KY05	.20	.10	.15	.05	.00
111 Breckinridge County, Ky	KY50	.35	.25	.30	.15	.20
112 Daviess County, Ky	KY51	.35	.25	.30	.15	.20
113 England AFB, La	LA01	.35	.25	.25	.15	.15
114 Baton Rouge, La	LA02	.50	.35	.40	.20	.30
115 Fort Polk, La	LA03	.15	.05	.10	.00	.05
116 New Orleans, La	LA04	.45	.30	.40	.15	.25
117 Shreveport, Barksdale AFB, La	LA05	.35	.25	.20	.10	.20
118 Lafayette County, La	LA50	.35	.25	.30	.15	.20
119 Ouachita County, La	LA51	.25	.15	.15	.00	.05
120 Boston, Mass	MA01	.50	.35	.35	.30	.40
121 Cape Cod, Mass	MA02	.50	.35	.40	.20	.30
122 Worcester, Mass	MA05	.35	.25	.35	.20	.30

BAQ MULTIPLIERS FOR EACH MHA—Continued

MHA No. and MHA name		MHA code	BAQ multipliers				
			1—E1-E3	2—E4-E6	3—E7-E9	4—W1-W3,O1-O3	5—W4, O4-O10
123	Fort Devens/Ayer, Mass	MA06	.35	.25	.30	.30	.40
124	Marshfield, Mass	MA08	.50	.35	.35	.20	.25
125	Essex County, Mass	MA09	.50	.35	.35	.30	.40
126	Hampden County, Mass	MA50	.50	.35	.40	.25	.30
127	Aberdeen Proving Grounds, Md	MD01	.30	.20	.15	.05	.15
128	Annapolis, Md	MD02	.55	.40	.40	.30	.35
129	Baltimore, Md	MD03	.35	.25	.25	.10	.20
130	Fort Detrick, Md	MD04	.55	.40	.30	.15	.20
131	Fort Richie, Md	MD05	.35	.25	.25	.10	.05
132	Camp David, Thurmont, Md	MD06	.55	.40	.30	.15	.20
133	Fort G. C. Meade, Md	MD07	.55	.45	.50	.25	.25
134	Indian Head Naval Ordnance Station, Md	MD09	.65	.50	.45	.30	.40
135	Patuxent River, Md	MD10	.55	.40	.45	.25	.35
136	Brunswick, Maine	ME01	.55	.40	.40	.30	.40
137	Loring AFB, Maine	ME02	.35	.25	.30	.15	.20
138	Machias, Maine	ME03	.25	.15	.15	.00	.05
139	Portland, Maine	ME04	.45	.30	.25	.20	.30
140	Bar Harbor, Maine	ME05	.25	.15	.15	.00	.05
141	Rockland, Maine	ME06	.25	.15	.15	.00	.05
142	Detroit, Mich	MI01	.30	.20	.15	.10	.20
143	Ki Sawyer AFB, Mich	MI02	.55	.40	.30	.20	.15
144	Petoskey, Mich	MI03	.25	.15	.20	.05	.10
145	Sault Ste. Marie, Mich	MI04	.20	.10	.10	.00	.00
146	Traverse City, Mich	MI05	.25	.15	.20	.05	.10
147	Cheyboygan, Mich	MI06	.30	.20	.25	.10	.15
148	Muskegon, Mich	MI08	.25	.15	.20	.05	.10
149	Port Huron, Mich	MI09	.30	.20	.15	.10	.20
150	Wurtsmith AFB, Mich	MI10	.25	.15	.20	.05	.10
151	Yellowstone County, Mont	MT50	.30	.20	.25	.05	.15
152	Calhoun County, Mich	MI51	.30	.20	.25	.10	.15
153	Ingham County, Mich	MI52	.50	.35	.40	.20	.30
154	Kent County, Mich	MI53	.30	.20	.25	.05	.15
155	Washtenaw County, Mich	MI54	.55	.40	.45	.30	.35
156	Saginaw, Mich	MI55	.45	.30	.30	.15	.20
157	Alpena County, Mich	MI56	.25	.15	.20	.05	.10
158	Duluth, Minn	MN01	.25	.15	.20	.05	.05
159	Minneapolis/St. Paul, Minn	MN02	.60	.45	.55	.30	.20
160	Kansas City, Mo	MO02	.55	.40	.35	.30	.20
161	St. Louis, Mo	MO03	.50	.35	.45	.25	.20
162	Whiteman AFB, MO	MO04	.35	.25	.30	.10	.05
163	Fort Leonard Wood, Mo	MO05	.20	.10	.10	.00	.00
164	Springfield, Mo	MO07	.25	.15	.20	.05	.10
165	Boone County, Mo	MO50	.35	.25	.25	.10	.15
166	Jasper County, Mo	MO51	.15	.05	.10	.00	.00
167	Bay St. Louis, Miss	MS01	.45	.30	.40	.30	.25
168	Gulfport, Miss	MS02	.30	.20	.15	.00	.10
169	Columbus AFB, Miss	MS03	.40	.30	.20	.05	.10
170	Jackson, Miss	MS04	.50	.35	.25	.10	.20
171	Meridian, Miss	MS05	.30	.20	.15	.05	.15
172	Forrest County, Miss	MS50	.45	.30	.40	.30	.25
173	Warren County, Miss	MS51	.50	.35	.25	.10	.20
174	Washington County, Miss	MS52	.25	.15	.15	.00	.05
175	Malmstrom AFB/Great Falls, Mont	MT01	.30	.20	.20	.00	.05
176	Cape Hatteras/Buxton, N.C	NC01	.35	.25	.30	.15	.20
177	Morehead City/Cherry Point MCAS, N.C	NC02	.25	.15	.20	.05	.10
178	Camp Lejeune, N.C	NC03	.25	.15	.15	.00	.00
179	Charlotte, N.C	NC04	.50	.35	.35	.20	.25
180	Durham/Chapel Hill, N.C	NC05	.35	.25	.30	.15	.20
181	Elizabeth City, N.C	NC06	.25	.15	.20	.00	.05
182	Fayetteville/Fort Bragg/Pope AFB, N.C	NC07	.25	.15	.20	.00	.05
183	Seymour Johnson AFB/Goldsboro, N.C	NC08	.30	.20	.25	.10	.20
184	Greensboro, N.C	NC09	.35	.25	.30	.15	.15
185	Raleigh, N.C	NC10	.40	.30	.30	.15	.20
186	Wilmington, N.C	NC12	.30	.20	.20	.05	.10
187	Buncombe County, N.C	NC50	.25	.15	.20	.05	.10
188	Bismarck, N. Dak	ND01	.35	.25	.25	.10	.15
189	Fargo, N. Dak	ND02	.35	.25	.35	.20	.20
190	Grand Forks, N. Dak	ND03	.35	.25	.35	.20	.20
191	Minot AFB, N. Dak	ND04	.30	.20	.25	.05	.05
192	Omaha/Offutt AFB, Nebr	NE01	.45	.35	.40	.25	.20
193	Lincoln, Nebr	NE02	.45	.35	.40	.25	.20
194	Portsmouth, N.H	NH01	.45	.30	.35	.20	.25
195	Hillsborough County, N.H	NH50	.65	.50	.40	.40	.40
196	Atlantic City, N.J	NJ01	.45	.35	.30	.15	.20
197	Camden, N.J	NJ03	.45	.35	.30	.15	.20
198	Cape May, N.J	NJ04	.30	.20	.30	.00	.00
199	Dover/Picatinny Arsenal, N.J	NJ05	.50	.35	.40	.25	.35
200	Earle NWS/Colts Neck, N.J	NJ06	.50	.35	.40	.25	.35
201	Perth Amboy, N.J	NJ07	.50	.35	.40	.25	.35
202	Newark, N.J	NJ11	.50	.35	.40	.25	.35

BAQ MULTIPLIERS FOR EACH MHA—Continued

MHA No. and MHA name		MHA code	BAQ multipliers				
			1—E1-E3	2—E4-E6	3—E7-E9	4—W1-W3,01-03	5—W4, 04-010
203	Trenton, N.J	NJ13	.50	.35	.40	.25	.35
204	Fort Dix/McGuire AFB/NAS Lakehurst, N.J	NJ14	.25	.15	.25	.15	.25
205	Holloman AFB/Alamogordo, N. Mex	NM01	.25	.15	.10	.00	.00
206	Albuquerque/Kirtland AFB, N. Mex	NM02	.55	.40	.30	.05	.10
207	Cannon AFB Clovis, N Mex	NM03	.15	.05	.00	.00	.00
208	Gallop, N. Mex	NM04	.55	.40	.30	.05	.10
209	White Sands MR/Las Cruces, N. Mex	NM05	.20	.10	.15	.00	.05
210	Sante Fe, N. Mex	NM06	.30	.20	.20	.05	.10
211	Fallon NAS. Nev	NV02	.55	.40	.35	.25	.30
212	Nellis AFB/Las Vegas, Nev	NV05	.70	.55	.55	.35	.35
213	Washoe County, Nev	NV50	.50	.35	.40	.25	.30
214	Albany, N.Y	NY01	.30	.20	.25	.20	.15
215	Ballston SPA, N.Y	NY02	.00	.00	.00	.00	.00
216	Buffalo, N.Y	NY03	.30	.20	.25	.05	.15
217	Peekskill West Point, N.Y	NY04	.50	.35	.25	.20	.30
218	Long Island. N.Y	NY05	.45	.35	.40	.30	.40
219	New York City, N.Y	NY06	.65	.50	.50	.35	.45
220	Plattsburgh, N.Y	NY07	.30	.20	.25	.15	.15
221	Rochester, N.Y	NY08	.45	.30	.30	.15	.20
222	Rome/Griffiss AFB, N.Y	NY09	.35	.25	.20	.05	.00
223	Seneca Army Depot/Syracuse, N.Y	NY10	.45	.35	.25	.10	.05
224	Schnectady/Scotia, N.Y	NY11	.30	.20	.25	.20	.15
225	Fort Drum/Watertown, N.Y	NY12	.25	.15	.15	.05	.05
226	Thompkins County, N.Y	NY50	.45	.30	.35	.15	.25
227	Akron, Ohio	OH01	.30	.25	.35	.10	.20
228	Cincinnati. Ohio	OH02	.35	.25	.35	.10	.15
229	Cleveland, Ohio	OH03	.30	.25	.35	.10	.20
230	Columbus, Ohio	OH04	.35	.25	.25	.10	.20
231	Dayton/Wright-Patterson AFB, Ohio	OH05	.35	.25	.25	.10	.10
232	Toledo, Ohio	OH07	.30	.20	.25	.10	.15
233	Mahoning County, Ohio	OH50	.30	.20	.25	.05	.15
234	Ottawa County, Ohio	OH51	.30	.20	.25	.10	.15
235	Altus AFB, Okla	OK01	.20	.10	.15	.05	.00
236	Vance AFB/Enid. Okla	OK02	.50	.35	.30	.20	.15
237	Fort Sill/Lawton, Okla	OK03	.25	.15	.10	.00	.05
238	Stillwater, Okla	OK04	.50	.35	.30	.20	.15
239	Oklahoma City, Okla	OK05	.50	.35	.30	.20	.15
240	Tulsa, Okla	OK06	.55	.40	.45	.30	.35
241	Astoria, Oreg	OR01	.00	.00	.00	.00	.00
242	Coos Bay, Oreg	OR02	.20	.10	.20	.00	.10
243	Portland, Oreg	OR05	.45	.30	.35	.05	.15
244	Salem, Oreg	OR06	.45	.30	.35	.05	.15
245	Benton County, Oreg	OR50	.20	.10	.20	.00	.10
246	Lane County, Oreg	OR51	.20	.10	.20	.00	.10
247	Carlisle Bks/Mechanicsburg, Pa	PA01	.35	.25	.30	.10	.15
248	Philadelphia, Pa	PA03	.45	.35	.30	.15	.20
249	NAS Willow Grove, Pa	PA04	.60	.45	.55	.30	.35
250	Pittsburgh. Pa	PA05	.40	.30	.25	.15	.20
251	Berks County, Pa	PA50	.25	.15	.20	.05	.10
252	Centre County, Pa	PA51	.55	.40	.45	.25	.35
253	Erie County, Pa	PA52	.30	.20	.25	.10	.15
254	Luzerne County, Pa	PA53	.35	.25	.25	.10	.15
255	Northampton County, Pa	PA54	.45	.30	.30	.15	.20
256	Newport, R.I	R101	.65	.50	.40	.35	.40
257	Providence, R.I	R102	.35	.25	.25	.15	.25
258	Beaufort/Parris Island, S.C	SC01	.25	.15	.20	.20	.30
259	Charleston, S.C	SC02	.35	.25	.25	.15	.25
260	Columbia/Fort Jackson, S.C	SC03	.45	.30	.25	.20	.30
261	Greenville, S.C	SC04	.30	.20	.20	.05	.10
262	Myrtle Beach AFB, S.C	SC05	.30	.20	.15	.20	.30
263	Sumter/Shaw AFB, S.C	SC06	.25	.15	.10	.00	.10
264	Rapid City, Ellsworth AFB, S. Dak	SD01	.35	.25	.35	.15	.15
265	Sioux Falls, S. Dak	SD02	.30	.20	.25	.05	.15
266	Chattanooga, Tenn	TN01	.50	.35	.35	.20	.25
267	Knoxville, Tenn	TN02	.35	.25	.30	.15	.20
268	Memphis, Tenn	TN04	.25	.15	.15	.05	.10
269	Nashville, Tenn	TN05	.45	.30	.35	.05	.15
270	Abilene/Dyess AFB, Tex	TX01	.25	.15	.20	.05	.15
271	Amarillo, Tex	TX02	.25	.15	.20	.00	.05
272	Austin/Bergstrom AFB, Tex	TX03	.55	.45	.40	.20	.75
273	Beaumont, Tex	TX04	.30	.20	.20	.05	.10
274	College Station, Tex	TX05	.55	.40	.35	.20	.15
275	Corpus Christi, Tex	TX06	.50	.35	.45	.30	.25
276	Kingsville, Tex	TX07	.35	.25	.25	.15	.20
277	Dallas/Fort Worth, Tex	TX08	.50	.35	.40	.20	.20
278	Laughlin AFB/Del Rio, Tex	TX09	.25	.15	.25	.10	.00
279	El Paso, Tex	TX10	.30	.20	.20	.05	.10
280	Galveston, Tex	TX11	.30	.20	.20	.05	.10
281	Brownsville, Tex	TX12	.25	.15	.20	.00	.05
282	Houston, Tex	TX13	.55	.45	.55	.50	.45

BAQ MULTIPLIERS FOR EACH MHA—Continued

MHA No. and MHA name	MHA code	BAQ multipliers				
		1—E1-E3	2—E4-E6	3—E7-E9	4—W1-W3, 01-03	5—W4, 04-010
283 Lubbock/Reese AFB, Tex	TX14	.50	.35	.35	.20	.20
284 Goodfellow AFB, Tex	TX15	.35	.25	.25	.05	.00
285 San Antonio, Tex	TX16	.45	.30	.35	.20	.20
286 Fort Hood, Tex	TX17	.25	.15	.25	.05	.10
287 Texarkana, Tex	TX18	.15	.05	.10	.00	.00
288 Wichita Falls/Sheppard AFB, Tex	TX19	.35	.25	.15	.05	.10
289 Beeville, Tex	TX20	.25	.15	.25	.15	.05
290 Brazoria County, Tex	TX50	.55	.45	.55	.50	.45
291 Ogden/Hill AFB, Utah	UT01	.45	.30	.40	.15	.15
292 Salt Lake City, Utah	UT02	.50	.35	.45	.20	.10
293 Tooele Army Depot, Utah	UT03	.35	.25	.25	.10	.15
294 Washington County, Utah	UT50	.50	.35	.40	.25	.30
295 Charlottesville, Va	VA01	.50	.35	.40	.20	.30
296 Quantico/Woodbridge, Va	VA05	.50	.45	.55	.35	.45
297 Hampton/Newport News, Va	VA06	.30	.20	.30	.15	.20
298 Norfolk/Virginia Beach, Va	VA07	.45	.30	.35	.20	.30
299 Portsmouth, Va	VA08	.30	.20	.25	.10	.20
300 Petersburg/Fort Lee, Va	VA09	.35	.25	.30	.10	.20
301 Richmond, Va	VA10	.45	.30	.40	.15	.25
302 Warrenton/Vint Hill Farms, Va	VA11	.55	.40	.45	.30	.35
303 Lexington, Va	VA50	.30	.20	.20	.05	.10
304 Wallops Island, Va	VA51	.25	.15	.20	.00	.05
305 Burlington, Vt	VT01	.45	.30	.30	.15	.20
306 Bremerton, Wash	WA01	.35	.30	.35	.15	.25
307 Everett, Wash	WA02	.45	.30	.40	.35	.25
308 Port Angeles, Wash	WA03	.25	.15	.15	.00	.00
309 Seattle, Wash	WA04	.50	.35	.45	.15	.25
310 Spokane, Wash	WA05	.30	.20	.25	.05	.15
311 Tacoma, Wash	WA06	.30	.20	.30	.10	.20
312 Whidbey Island, Wash	WA07	.35	.25	.30	.10	.20
313 Yakima, Wash	WA08	.30	.20	.30	.10	.20
314 Ilwaco, Wash	WA09	.00	.00	.00	.00	.00
315 Aberdeen, Wash	WA10	.35	.30	.35	.15	.25
316 Madison, Wis	WI02	.45	.30	.35	.15	.25
317 Milwaukee, Wis	WI03	.30	.25	.35	.15	.25
318 Sparta/Fort McCoy, Wis	WI04	.30	.20	.25	.05	.15
319 Winnebago County, Wis	WI50	.35	.25	.25	.10	.15
320 Morgantown, W. Va	WV01	.30	.20	.20	.05	.10
321 Sugar Grove, W. Va	WV02	.25	.15	.15	.00	.05
322 Cabell County, W. Va	WV50	.30	.20	.20	.10	.10
323 Kanawha County, W. Va	WV51	.35	.25	.25	.05	.15
324 Cheyenne, Wyo	WY01	.25	.15	.20	.00	.10
501 County Cost Group 1	US01	.15	.05	.10	.00	.00
502 County Cost Group 2	US02	.15	.05	.10	.00	.00
503 County Cost Group 3	US03	.20	.10	.10	.00	.00
504 County Cost Group 4	US04	.20	.10	.15	.00	.05
505 County Cost Group 5	US05	.25	.15	.15	.00	.05
506 County Cost Group 6	US06	.25	.15	.20	.00	.05
507 County Cost Group 7	US07	.25	.15	.20	.05	.10
508 County Cost Group 8	US08	.30	.20	.20	.05	.10
509 County Cost Group 9	US09	.30	.20	.25	.05	.15
510 County Cost Group 10	US10	.30	.20	.25	.10	.15
511 County Cost Group 11	US11	.35	.25	.25	.10	.15
512 County Cost Group 12	US12	.35	.25	.30	.15	.20
513 County Cost Group 13	US13	.45	.30	.30	.15	.20
514 County Cost Group 14	US14	.45	.30	.35	.15	.25
515 County Cost Group 15	US15	.45	.30	.35	.20	.25
516 County Cost Group 16	US16	.50	.35	.35	.20	.25
517 County Cost Group 17	US17	.50	.35	.40	.20	.30
518 County Cost Group 18	US18	.50	.35	.40	.25	.30
519 County Cost Group 19	US19	.55	.40	.45	.25	.35
520 County Cost Group 20	US20	.55	.40	.45	.25	.35
521 County Cost Group 21	US21	.55	.40	.45	.30	.35
522 County Cost Group 22	US22	.60	.45	.50	.30	.40
524 County Cost Group 24	US24	.65	.50	.50	.35	.45

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN, ANSWERS SUPPLIED BY MAJ. GEN. R. DEAN TICE

BREAKDOWN OF MANPOWER COSTS

Senator LEVIN. Please provide a detailed breakdown of manpower costs in the fiscal year 1982 Reagan budget submission. This discussion should include the items of basic pay, BAQ, BAS, bonuses, other pays, FICA contributions, and PCS travel.

ANSWER. The information is being developed and will be provided as soon as available.

PAY RAISES FOR JULY 1, 1981, AND FISCAL YEAR 1982

Senator LEVIN. General Tice, you state that the two pay raises for the military, a special raise of 5.3 percent effective July 1, 1981, and a planned fiscal year 1982 raise of 9.1 percent are major steps toward restoring military compensation "to appropriate levels."

By appropriate levels do you mean comparability between military and civilian pay levels?

ANSWER. We mean comparability in a general sense. Technically, military pay has never been set and adjusted on the basis of comparability as that term is applied to Federal Government civilians, where salary determinations are based on the principle of equal pay for equal work. Military pay raises under law are equal to the pay raises received by General Schedule (GS) employees. Because GS salaries are based upon a precisely defined comparability system, there is a misconception that the annual raises received by military personnel are also "comparability" increases. But this in fact is not the case. There were refinements made to the comparability determination for the GS during the 1970's which may have made sense for those employees, but because military pay levels are not based on comparability, it was inappropriate for military personnel to be affected by those changes. We believe that military pay should be increased to remove the impact of the GS based comparability changes and be restored to the relative relationship that existed between military pay and private sector pay in 1972 at the inception of the All-Volunteer Force, when it was generally acknowledged that military pay was "reasonably comparable or competitive" with private sector pay. The 5.3 percent pay raise will basically, restore military pay to the relationship that existed between military and private sector pay that existed in 1972 and the 9.1 percent pay raise will maintain that relationship.

Senator LEVIN. What further increase is necessary, beyond the two described above, to reach comparability for military pay?

ANSWER. As discussed above, the two proposed military pay raises will make military pay reasonably comparable with those of the 1972 levels. A determination on any further increases outside of the annual military pay adjustment will depend on how well we are meeting our accession and retention goals.

THE $370 MILLION BUDGETED FOR DOD LEGISLATION INITIATIVES

Senator LEVIN. You also state that $370 million has been budgeted for as yet undefined DOD Legislative initiatives in the area of military pay.

Do any of those potential initiatives relate to yet another increase in military pay?

ANSWER. The $370 million that has been budgeted for undefined legislative initiatives does not relate to a proposed increase in basic military pay.

Senator LEVIN. What other initiatives are being considered?

ANSWER. There are many legislative proposals which are, in effect, competing for the funds in the legislative contingency. Among these initiatives for certain transportation entitlements, environmental and emergency leave programs, CHAMPUS improvements, increases in special and incentive pay levels, etc. We are in the process of evaluating and assigning relative priority to these proposals, and we expect this comprehensive review to be completed in the near future.

SALARY SYSTEM VERSUS PAY AND ALLOWANCE SYSTEM

Senator LEVIN. Two studies, one from the General Accounting Office and one from the Brookings Institution, have recommended a military salary rather than pay and allowance system.

Has such a system ever been studied?

Have any estimates ever been done comparing the potential costs of a salary system for the military with the costs of the current system? What were the results?

Realizing that the institution of a salary system would be a radical change, do you favor such a system with higher salaries for those possessing certain skills? Please provide your specific reasons for either supporting or rejecting such a program.

If higher salaries were provided to those in more difficult-to-fill occupational specialties, like engineers, would this tend to have a deleterious effect on morale?

How does a system like this differ in its effects on morale from the current one of paying high one-time bonuses to those enlisting or re-enlisting in the same specialties?

ANSWER. The studies referred to are the GAO Report, "Military Compensation Should be Changed to a Salary System", August 1, 1977, and the Brookings Study by Martin Binkin, "The Military Pay Muddle", April 1975. In addition, the Congressionally-created Defense Manpower Commission of 1976 also recommended conversion to a military salary system. However, in his most recent Brookings Study, "Paying the Modern Military", Mr. Binkin no longer advocates a military salary system but prefers basic pay differentials based on "job characteristics". By contrast, the Third Quadrennial Review of Military Compensation of 1977 and the President's Commission on Military Compensation of 1978 both recommended rejection of a military salary and maintenance of the existing pays and allowances system.

A military salary system was instituted for officers only in 1870, but was allowed to lapse in subsequent years when specific allowances were enacted in preference to adequate salary adjustments. It was legally abolished in 1922. Since then, a number of studies have dealt with the military salary issue.

Conversion to a military salary system was recommended by the First Quadrennial Review of Military Compensation in 1967. This proposal limited salary conversion to officers and "career" enlisted personnel. It was rejected by the incoming Nixon administration for the following reasons:

Incompatability with transitioning into an all-volunteer force, to which the Nixon Administration was committed, in that it was desired to pay all members from the same system and to play down the distinction between "careerist" and "first termer", and

Cost.—if a military salary system were to be made available to all personnel, contrary to the First Quadrennial Review of Military Compensation's recommendation but in accordance with the theory of the all-volunteer force, the cost of "monetizing" the Federal Income Tax Advantage, developing a single salary table for all personnel, converting the retirement, special and incentive pays, and reserve compensation system, in addition to new initiatives for enlisted personnel, was estimated to add $7 billion to the Defense budget in 1969. Conversely, to stay within manpower budget guidelines, military compensation levels would have had to have been reduced, or the strength of the armed forces would have had to have been reduced, or both. All these alternatives were judged to be unacceptable. Added to that was the fact that costs of future mobilization, at various force levels, were found to be significantly greater than under the pays and allowances system. Finally, no agreement seemed possible on the cost of converting the reserve forces into some form of salary system, and this compounded the problems of a military salary under a "total force" concept.

The one major benefit claimed by proponents of a military salary system was better "visibility" of military compensation to members. The practical effects of such "visibility" were alleged to be improved attraction and retention.

Studies subsequent to the First Quadrennial Review of Military Compensation, as well as its criticisms, were all variations on this basic theme.

The Department of Defense opposes the introduction of a military salary system for the following reasons:

Cost.—It would cost at least $4 billion in transition costs to convert into a military salary today. The benefits claimed from this are dubious; the claimed "visibility" will combine only four of about 50 compensation elements into a military salary, while the alleged attraction and retention benefits of this are based on extrapolations of econometric theory, not empirical evidence. Moreover, there will be continued annual out-year costs because:

(1) the "monetization" of the federal income tax advantage, when converted into a single salary table, meaning that single personnel will require a salary increase so that married personnel will not take a pay cut, will cost about $3 billion extra per year.

(2) reserve compensation will have to be converted into a military salary at some formula (meaning that some members will receive a proportion of quarters and subsistence allowances to which they are not now entitled), and this will increase annual costs with no obvious benefits to be derived therefrom, and

(3) military retired pay formulas will have to be adjusted to conform to a salary system as will special and incentive pays (as well as all reimbursement items) linked to basic pay. Equity dictates on borderline formula decisions will result in permanent increased annual costs.

Increased mobilization costs.—Under a military salary system, such costs would increase 25 to 33 percent over those of the pays and allowances system, depending on the size of the mobilization (e.g., would have to charge "fair market" rentals for foxholes and ship's bunks and to charge for C-Ration meals; equity will demand that these charges be zero or very minimal). Such greater costs would increase the costs of U.S. military action with no apparent benefit in return, since presumably the draft would be in effect and separations virtually stopped, thereby nullifying the claimed attraction and retention gains of the military salary system.

Degradation of military institutional values.—Perhaps the most important objection, since the leadership of the armed forces feels very strongly on this point. They believe that the introduction of a military salary system would further "civilianize" the armed forces at a time when every effort is being made to improve morale, military cohesiveness, and operational effectiveness of the armed forces.

In our judgment, differential salaries paid to certain occupations during peacetime all-volunteer conditions would be detrimental to morale, both for those in less marketable duties and for those who must have their salaries lowered when market conditions change and thereby make their specialties plentiful. However, the more serious problem is in mobilization and wartime, when market conditions are no longer so major a factor. A military compensation system must operate effectively in both peace and war.

The current system of special pays and bonuses is more flexible than salary differentials. A special pay can be increased, decreased, or removed with less of a morale effect than lowering or increasing basic salary, while basic pay remains the same. We do not advocate salary or even basic pay differentials based on duty performed.

QUESTIONS SUBMITTED BY SENATOR SAM NUNN, ANSWERS SUPPLIED BY MAJ. GEN. R. DEAN TICE

DIFFERENTIAL MULTIPLIERS FOR DIFFERENT GRADES

Senator NUNN. One item that has been raised is the different multipliers that are used for different grades. The multipliers generally have a "V" shape. That is, the multiple is higher for the junior enlisted personnel than it is for senior enlisted personnel and lower for junior officers than it is for senior officers. For example, in Quantico, Virginia a lieutenant or captain receives 35 percent of his Basic Allowance for Quarters as a Variable Housing Allowance. In contrast, a colonel receives 45 percent and a new recruit would receive 50 percent. How do you explain these low multipliers to the junior officers?

ANSWER. The multipliers used for the different grade groups can be viewed as a measure of how close BAQ comes to covering housing costs. These multipliers are based on survey data of the actual housing costs of each grade group and the BAQ payments paid to the grades in the group. The "V" shape is an indication that BAQ comes closer to covering the housing costs for the junior officer grade group than it does for the senior officer or junior enlisted grade groups.

HOUSING COST DIFFERENCES

Senator NUNN. What is the basis for differences in some very similar areas? For example, in Fort Benning an E-7, would receive a Variable Housing Allowance of $28/mo, while at Warner Robins Air Force Base, an E-7 would receive a Variable Housing Allowance of $55/mo—about double the Fort Benning rate. How do these differences occur? Have you checked into the validity?

ANSWER. The data from each area that had a statistically significant sample size was used independently to determine that area's BAQ multipliers. There were 435 personnel who returned valid surveys at Fort Benning and 591 from

Robins Air Force Base. As these sample sizes are statistically significant, the difference in the VHA between these two locations is attributable to the fact that reported housing cost differences did exist. Comparing only the BAQ multipliers between these areas leads to a perceived difference that is much larger than the actual difference. Specifically the average housing costs that lead to the .10 BAQ multiplier at Fort Benning for the E–7 to E–9 grade group was $346 per month. The average housing cost that led to the .20 BAQ multiplier at Robins AFB for the E–7 to E–9 grade group was $346 per month. The average housing cost that led to the .20 BAQ multiplier at Robins AFB for the E–7 to E–9 grade group was $390 per month. Thus, in terms of average housing costs, the cost at Robins AFB is 12.7 percent higher than at Fort Benning.

The validity of all housing costs obtained from individuals was checked for reasonableness. For example, all reported rent and utility costs were checked to insure that they were within appropriate statistical limits.

COMMAND OR SERVICE INFLUENCE IN COLLECTING VHA DATA

Senator NUNN. If the Variable Housing Allowance rates are based on surveys of military personnel and the amounts they are now spending for housing, how do you insure that command or service influence is not a factor in collecting the housing data? How do you answer the objection that this is really a survey asking people how much they want to be paid in a Variable Housing Allowance?

ANSWER. There was no command or service influence in collecting the housing data. A random sample of military personnel based on social security number was made to identify who would receive the housing cost form. This selection was centrally made by the Per Diem, Travel, and Transportation Committee, which is the organization responsible for administering the VHA.

The survey respondents were asked to provide actual housing costs. Several steps were taken to impress the respondent with the importance of data accuracy. Each survey respondent signed the form and provided his/her social security number taking personal responsibility for the accuracy of the data provided. Included with the survey form was a letter signed by the appropriate service personnel chief which emphasized the importance of accurate data and informed the responent that he/she may be asked to later verify the accuracy of the data provided.

VHA SURVEY AND RATE CHANGE

Senator NUNN. When will the next survey be conducted? Will the Variable Housing Allowance rates be changed before the proposed July pay increase of 5.3 percent—this could make a large difference? For example, a colonel in the Washington area receives a Basic Allowance for Quarters of $469/mo and a Variable Housing Allowance of $234/mo for a total (nontaxable) allowance of $703/mo. If the 5.3 percent proposed increase is approved for July and no change is made in the Variable Housing Allowance multipliers, that colonel would receive a total of $741/mo. How specifically would these changes be made?

ANSWER. The next VHA survey is projected for May–June 1981. It is the policy of the Department of Defense to determine the cost of housing and establish the resultant BAQ multipliers once a year for implementation on October first of each year. We have not made a final decision on the specifics of how an out-of-cycle pay adjustment, such as the proposed July increase of 5.3 percent, will affect the BAQ multipliers. Letting the BAQ rate increase and leaving the multiplier unchanged as cited in the question is an option that has already been eliminated.

COST INCREASES IN VARIABLE HOUSING ALLOWANCE

Senator NUNN. How much money is included in the President's fiscal year 1982 budget for the Variable Housing Allowance? During Congressional consideration of the allowance, DoD estimated the annual cost at about $400 million. After the allowance was enacted, DoD estimated the cost at about $600 million a year. What accounts for these cost increases in the allowance?

ANSWER. The President's fiscal year 1982 budget includes $678 million for VHA. the $400 million estimate quoted was an approximation based on the limited data available at the time. The data for many of the installations was very limited and was not representative of the distribution of military personnel at those locations. Many assumptions had to be made to expand the data to include all personnel at all locations. Also, through an oversight, approximately 30,000 Marine

Corps personnel were excluded from the estimate. Finally, the 1979 estimate did not include dollars for payment to dependents of overseas personnel or to reservists. A survey of housing costs specifically designed for VHA was made in the summer of 1980 which enabled a much more accurate estimate to be made.

CHANGING VHA TO ENTITLEMENT BASED ON INDIVIDUAL GRADES

Senator NUNN. General Tice, current law regarding the Variable Housing Allowance is written as an authorization giving Defense flexibility to group grades together for the purpose of calculating a Variable Housing Allowance multiplier. However, as written, the law will change on October 1, 1982, and makes this new allowance an entitlement for each individual grade. That is, instead of allowing Defense to group together majors through generals, the law would require a calculation of an individual multiplier for each grade. What will be the impact of this change? Does the Department of Defense support changing the allowance from an authorization, allowing grouping by grades, to an entitlement that will be based on individual grades? Have you submitted any legislative proposals on this matter?

ANSWER. The primary impact of the change is that the BAQ plus VHA amount will more accurately reflect the housing costs for each grade. For example, because there are many more O–3's than O–1's, the current multipliers for the grade group that contains both of these grades is more heavily influenced by the housing costs and BAQ rates of the O–3's rather than the O–1's. Similarly, the multipliers for the W–4 and O–4 through O–10 grade group are heavily influenced by the housing costs and BAQ rates of the O–4's and O–5's.

The Department of Defense supports changing the allowance to an entitlement that will be based on individual grades. As this entitlement is already due to take effect on October 1, 1981, no legislative proposals on this matter are currently planned.

FLIGHT PAY FOR WARRANT OFFICERS AND OFFICERS

Senator NUNN. General Tice, I have received complaints from Army warrant officers about the inequities in flight pay paid to warrant officers and to officers who fly Army helicopters. What is the difference in flight pay for warrant officers and officers?

ANSWER. Currently, qualified aviation officers receive the following amounts of Aviation Career Incentive Pay (ACIP):

$125 per month during the first two years of aviation services;
$156 for more than two years;
$188 for more than three years;
$206 for more than four years;
$306 for more than six years;
$281 for more than eighteen years;
$256 for more than twenty years;
$231 for more than twenty-two years;
$206 for more than twenty-four years.

Aviation warrant officers receive:

$125 per month during the first two years of aviation service:
$138 from the second through fifth years;
$250 from the sixth year until retirement or separation.

Senator NUNN. What is the justification for this differential?

ANSWER. When the Congress set the level of warrant officer Aviation Career Incentive Pay (ACIP) for the Aviation Career Incentive Act of 1974, both the need for such a pay and the level at which it should be set were considered. Several factors were of significance to the Congress in their deliberations. (1) The Hook Commission of 1948 had established a principle that special and incentive pays should be sized in proportion to basic pay. (2) Warrant officers were considered to be technicians that would not exercise aviation command other than that exercised by a pilot over his aircraft. (3) Retention data for warrant officers did not support an increase in ACIP to the level of commissioned officers. The result was a level of ACIP that was less than that established for commissioned officers. During the past few years we have observed a decrease in the retention rate for aviation warrant officers in the Army. Consequently, there is a legislative initiative now being coordinated within the Department that would raise the level of warrant officer Aviation Career Incentive Pay to that of commissioned officers. This proposal will be analyzed in the near future along with other compensation initiatives to determine whether or not the data supports including this proposal in the DOD Legislative Program for fiscal year 1982.

QUESTIONS SUBMITTED BY SENATOR SAM NUNN, ANSWERS SUPPLIED BY MAJ. GEN. WILLIAM R. USHER

SOLVE SHORTAGE IN S. & E. OFFICERS

Senator NUNN. General Usher, the Air Force has experienced a critical shortage in scientific and engineering officers. At present you are short approximately 1,100 engineers.

What steps should be taken to solve the problem?

General USHER. Our immediate need is the enactment of legislation that would provide an engineer accession and continuation bonus. The competition for engineering graduates with private industry is intense. Our principal problem in competing for engineering graduates is the difference in starting salaries between military service and civilian industry. For example, the average starting salary for a second lieutenant is about $15,400 as compared to about $20,000 for an engineering graduate. The proposed accession bonus would offer up to $15,000 for an initial commitment of four years active duty and give us a means to be competitive in the college engineer recruiting market. The continuation bonus is designed to enhance our retention program by providing up to $3,000 a year for officers in selected specialties who are in the grades of lieutenant through colonel with less than 19 years of service. We are preparing the legislative proposal now—we hope to have it available for your consideration in the near future.

ASSIGN AFA GRADUATES TO S. & E. BILLETS

Senator NUNN. General Usher, have you considered the involuntary assignment of Air Force Academy graduates to engineering officer billets prior to a combat assignment?

General USHER. The Air Force considered this option but decided against it for a number of reasons. First, we believe we can solve the engineering problem by means other than involuntarily assigning Air Force Academy graduates, or graduates from ROTC or OTS, to engineering duties. Second, this option would unfairly penalize the Air Force Academy graduate since it would put him 3 to 5 years, in terms of flying experience and professional opportunities, behind his Academy, ROTC or OTS contemporary who went directly to flight training. Third, at the time a young man or woman enters any of our commissioning programs, expectations are formed as to what career fields they will be able to pursue upon commissioning. To not fulfill these expectations, regardless of commissioning source, could work to our disadvantage in future recruiting and retention efforts. Finally, the Air Force Academy's mission is to provide a highly trained and educated resource for combat leadership duties, and we don't feel that primary purpose should be compromised.

USE BONUSES TO COMPETE

Senator NUNN. In general do you favor the use of bonuses or continuation pay to compete with private industry in attracting and retaining critical skills?

General USHER. No. What we need most to sustain a top-quality career force and ensure our readiness needs are met is to provide military people an adequate standard of living and pay that is reasonably comparable to salaries in the private sector for equivalent levels of work and responsibility. While this is the principal foundation of our compensation system, we also recognize that we have to deal with market place forces, particularly in facing competition for certain critical skills (for example, engineers, scientists, physicians, aviators, electronics, avionics, etc.). To do this, we must provide a variety of bonuses and special pays where needed. However, there is a significant risk associated with heavy reliance on the market place approach, because this approach assumes no obligation to the member, but tries to pay only enough to keep enough. Thus it cannot respond to the rapid shifts in the effective supply and demand that may occur for the military when war threatens or international tensions increase.

SUPPORT INCREASE IN ACIP

Senator NUNN. Do you support a 25-percent increase in ACIP?

General USHER. The most important step we can take to improve aviator retention is to restore the incentive value to aircrew flight pay. In 1955, the last year in which flight pay rates were increased prior to last year's increase, the flight pay of a captain with 6 years of service amounted to 44 percent of his basic pay; today, the flight pay of a similar captain amounts to only 18 percent of basic pay. Looking at the total compensation picture and using as a benchmark year 1972, the last year in which the levels of military compensation were roughly comparable to those in the civilian sector, we find that a captain with over 6 years of service had an annual income of $17,450 (regular military compensation (3 dependents) and flight pay). If we assume normal career progression, today that captain would be a major and earn $37,376, an increase of 114.2 percent. However, during the period Jan 72–Feb 81, the cost of living increased 114 percent. Therefore, in 1972 dollars, this means that a major today has less than $12 per year or about one dollar per month more purchasing power than a captain did in 1972—certainly not much to show for one promotion in rank, four longevity increases and nine annual "comparability" raises.

Basic pay improvements requested in the Administration's fiscal year 1981 Supplemental Budget Request and the fiscal year 1982 Budget Amendment will, in effect, restore basic pay comparability, but much remains to be done in the flight pay area. An additional 25-percent across-the-board increase is required to raise flight pay to the levels recommended by the Second Quadrennial Review of Military Compensation and to restore to flight pay the incentive value it held in 1974 when Congress reconstructed the flight pay rates to provide the greatest incentive value at the career decision point. We are currently staffing a legislative proposal to increase flight pay—we hope to have it available for your consideration in the near future.

Senator JEPSEN. I thank you very much for coming and this meeting is now adjourned.

[Whereupon, at 4:20 p.m. the subcommittee meeting was adjourned, subject to the call of the Chair.]

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